



Legislation Details (With Text)

File #:	CB 118737	Version:	1	Name:	CB 118737
Type:	Ordinance (Ord)	Status:	Passed	In control:	City Clerk
On agenda:	8/8/2016				
Final Action:	8/17/2016	Ord. No.	Ord 125109		
Title:	AN ORDINANCE relating to the Seattle City Employees' Retirement System; creating a separate retirement plan for City employees whose membership in the Retirement System begins on or after January 1, 2017; clarifying certain provisions and making technical corrections; and adding new Sections 4.36.005, 4.36.607, and 4.36.608 to, and amending Sections 4.36.010, 4.36.020, 4.36.030, 4.36.040, 4.36.050, 4.36.060, 4.36.070, 4.36.080, 4.36.090, 4.36.500, 4.36.505, 4.36.510, 4.36.515, 4.36.520, 4.36.525, 4.36.530, 4.36.540, 4.36.545, 4.36.550, 4.36.555, 4.36.560, 4.36.565, 4.36.567, 4.36.570, 4.36.575, 4.36.580, 4.36.585, 4.36.590, 4.36.595, 4.36.600, 4.36.605, 4.36.610, 4.36.615, 4.36.620, 4.36.625, 4.36.630, 4.36.635, 4.36.640, 4.36.645, 4.36.650, 4.36.655, 4.36.660, 4.36.665, 4.36.670, 4.36.675, 4.36.680, 4.36.690, 4.36.695, 4.36.705, 4.36.710, 4.36.715, 4.36.720, and 4.36.900 of, the Seattle Municipal Code.				
Sponsors:	Tim Burgess				
Indexes:					
Attachments:	1. Summary and Fiscal Note, 2. Central Staff Memo (7/19/16), 3. Signed Ordinance 125109, 4. Affidavit of Publication				

Date	Ver.	Action By	Action	Result
8/17/2016	1	City Clerk	attested by City Clerk	
8/17/2016	1	Mayor	returned	
8/17/2016	1	Mayor	Signed	
8/12/2016	1	City Clerk	submitted for Mayor's signature	
8/8/2016	1	City Council	passed	Pass
8/3/2016	1	Affordable Housing, Neighborhoods, and Finance Committee	pass	Pass
7/20/2016	1	Affordable Housing, Neighborhoods, and Finance Committee	discussed	
7/18/2016	1	City Council	referred	
7/18/2016	1	Council President's Office	sent for review	
7/18/2016	1	City Clerk	sent for review	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the Seattle City Employees' Retirement System; creating a separate retirement plan for City employees whose membership in the Retirement System begins on or after January 1,

2017; clarifying certain provisions and making technical corrections; and adding new Sections 4.36.005, 4.36.607, and 4.36.608 to, and amending Sections 4.36.010, 4.36.020, 4.36.030, 4.36.040, 4.36.050, 4.36.060, 4.36.070, 4.36.080, 4.36.090, 4.36.500, 4.36.505, 4.36.510, 4.36.515, 4.36.520, 4.36.525, 4.36.530, 4.36.540, 4.36.545, 4.36.550, 4.36.555, 4.36.560, 4.36.565, 4.36.567, 4.36.570, 4.36.575, 4.36.580, 4.36.585, 4.36.590, 4.36.595, 4.36.600, 4.36.605, 4.36.610, 4.36.615, 4.36.620, 4.36.625, 4.36.630, 4.36.635, 4.36.640, 4.36.645, 4.36.650, 4.36.655, 4.36.660, 4.36.665, 4.36.670, 4.36.675, 4.36.680, 4.36.690, 4.36.695, 4.36.705, 4.36.710, 4.36.715, 4.36.720, and 4.36.900 of, the Seattle Municipal Code.

WHEREAS, the City of Seattle through its organized labor agreements has provided for a new retirement system (Plan 2) for civilian employees hired on or after January 1, 2017; and

WHEREAS, Plan 2 must be defined and incorporated into Seattle Municipal Code Chapter 4.36 - City Employees' Retirement System; and

WHEREAS, doing so presents the opportunity to clarify and make technical corrections to certain provisions in SMC 4.36 that are applicable to both Plan 1 and Plan 2. It is the intent of the City Council that such clarifications and technical corrections will not make substantive legal changes to member rights and benefits existing at the time this ordinance is passed; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new Section 4.36.005 is added to the Seattle Municipal Code as follows:

4.36.005 Provisions Applicable to Plan 1 and Plan 2

Except where otherwise specified therein, Sections 4.36.010 through 4.36.595 and 4.36.610 through 4.36.900 are applicable to members of both Plan 1 and Plan 2 of the retirement system in this Chapter 4.36. Sections 4.36.600 and 4.36.605 are applicable only to Plan 1 members. Sections 4.36.607 and 4.36.608 are applicable only to Plan 2 members.

Section 2. Section 4.36.010 of the Seattle Municipal Code, enacted by Ordinance 78444, is amended as follows:

4.36.010 Purpose ((:))

The purpose of this ~~((chapter))~~ Chapter 4.36 is to ~~((continue the))~~ maintain a retirement and pension system for ~~((superannuated))~~ retired and disabled officers and employees of the City and of the Seattle Public Library as

authorized by Article XXII, Section 13 of the Charter and by state law and established by Ordinance ~~((No.))~~ 57075 (as amended) and to establish a system of death benefits for such officers and employees.

Section 3. Section 4.36.020 of the Seattle Municipal Code, enacted by Ordinance 78444, is amended as follows:

4.36.020 Employees' Retirement Fund created ~~((:))~~

A fund is created and established to be known as the "Employees' Retirement Fund" and shall consist of all the moneys paid into it in accordance with the provisions of this ~~((chapter))~~ Chapter 4.36, whether such moneys shall take the form of cash, securities, or other assets.

Section 4. Section 4.36.030 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.030 Definitions - ~~((Alphabetical))~~ "A" ~~((through))~~ and "B"

Unless a different meaning is plainly required by the context the terms used in this ~~((chapter))~~ Chapter 4.36 shall have the following meanings:

~~((("Accumulated additional contributions" means the sum of all additional contributions deducted from the compensation of a member, standing to the credit of his individual account, together with regular interest thereon.))~~

"Accumulated contributions" means accumulated normal contributions pursuant to Section 4.36.540 plus ~~((accumulated additional))~~ contributions by the member pursuant to this Chapter 4.36, together with regular interest thereon, but shall not include death benefit assessments.

"Accumulated normal contributions" means the sum of all normal contributions pursuant to Section 4.36.540, deducted from the compensation of a member, standing to the credit of ~~((his))~~ the member's individual account, together with regular interest thereon.

"Actuarial equivalent" means a benefit of equal value when computed upon the basis of such mortality tables and regulations as shall be adopted by the Board.

"Actuarial present value" means the value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of actuarial assumptions.

"Annuity" means the payments derived from contributions made by a member as provided in Sections 4.36.605, 4.36.608, and 4.36.650.

~~(("Basic pension" means the annuity derived from normal contributions of members and the pension derived from matching contributions of the City.))~~

"Beneficiary" means any person ~~((in receipt of))~~, other than a member, who is entitled to receive a pension, annuity, retirement ~~((allowance))~~ benefit, disability ~~((allowance))~~ benefit, or any other benefit provided in this Chapter 4.36.

"Board" means "Board of Administration" as provided in Section 4.36.500.

Section 5. Section 4.36.040 of the Seattle Municipal Code, last amended by Ordinance 124575, is amended as follows:

4.36.040 Definitions - ~~((Alphabetical))~~ "C" ~~((through))~~ and "D"

Unless a different meaning is plainly required by the context the terms used in this ~~((chapter))~~ Chapter 4.36 shall have the following meanings:

"City" means The City of Seattle or another employer with employees eligible by law to be members of the retirement system.

"City contractor" means any person or entity performing services for the City pursuant to any agreement, including but not limited to agreements for public works as defined in RCW ~~((39.040.010))~~ 39.04.010; consultant as defined in Section 20.50.010; supplies, material, equipment, or services as defined in Chapter 20.60; or legal (including indigent public defense) and other professional services.

"City service" means service rendered to the City for compensation, and for the purpose of this chapter, a member shall be considered as being in the "City service" only while he or she is receiving compensation for such service or is on leave of absence on account of sickness or injury, or on family or medical leave under

Chapter 4.26 and makes contributions covering such period as provided in ~~((subsection))~~ Section 4.36.565.

"Code" means the Internal Revenue Code of 1986, as amended.

"Compensation" means the salary or wage, exclusive of overtime, indicated on payrolls and/or vouchers. With respect to plan years beginning on and after July 1, 2002, the annual compensation of a plan member that exceeds \$200,000 (as adjusted for cost-of-living increases in accordance with Code § 401(a)(17)(B)) may not be included in determining benefits or contributions for any plan year. Annual compensation means compensation during the plan year or such other consecutive 12-month period over which compensation is otherwise determined under the plan, referred to as the determination period. The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year. If the determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. If the compensation for any prior determination period is taken into account in determining a plan member's contributions or benefits for the current plan year, the compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that prior period. This restriction does not apply to any individual who was a member prior to January 1, 1996.

"Continuous service" means ~~((uninterrupted))~~ employment by the City that is not interrupted by a voluntary or involuntary termination of employment~~((, except that discontinuance))~~ . Discontinuance of City service of a member caused by a leave of absence, layoff, sick leave under Chapter 4.24, family or medical leave under Chapter 4.26, ~~((leave of absence, suspension, or dismissal, followed by reentrance into City service within one year,))~~ or other events not constituting a termination of employment shall not count as a break in the continuity of service~~((; provided, that for the purpose of establishing membership in the retirement system continuous service shall mean six months' service in any one year))~~.

"Creditable service" means such City service as is evidenced by the record of normal contributions

received from the employee if credit for same is still intact or not lost through withdrawal of accumulated normal contributions as provided in Section 4.36.665.

"Death benefit" means the payment upon proof of death of a member provided for in Section 4.36.690.

"Death benefit assessment" means the payments required of members of the death benefit system under Sections 4.36.690 and 4.36.695.

"Disability benefit" means a benefit payable pursuant to Section 4.36.645.

"Domestic partner" as used in this Chapter 4.36 means an individual designated by an unmarried City officer or employee in an affidavit filed pursuant to Sections 4.30.020 and 4.36.595 and qualified under Section 4.30.010.

Section 6. Section 4.36.050 of the Seattle Municipal Code, last amended by Ordinance 124575, is amended as follows:

4.36.050 Definitions - ((Alphabetical)) "E" through "M"

Unless a different meaning is plainly required by the context, the terms used in this ((chapter)) Chapter 4.36 shall have the following meanings:

"Employee" means all officers and employees of the City and of the Seattle Public Library eligible to membership in the retirement system pursuant to law. The term "employee" does not include an officer or employee of a City contractor, whether or not the contractor is providing mandatory or discretionary governmental services, and whether or not the contractor is a for-profit or non-profit entity.

"Final compensation" for Plan 1 members means the average annual compensation earned during a member's 52 highest consecutive biweekly pay periods prior to termination of employment with the City.

"Final compensation" for Plan 2 members means the average annual compensation earned during a member's 130 highest consecutive biweekly pay periods prior to termination of employment with the City. However, for Plan 2 members only, the member's highest consecutive biweekly pay periods shall include biweekly pay periods in which the member is on leave from work (so long as such leave does not constitute a break in the

member's continuous service), regardless of whether compensation is earned during such periods.

"Fiscal year" means any year commencing with January 1~~((st))~~ and ending with December 31~~((st))~~ next following.

"Funding Ratio" means the ratio of the actuarial value of assets over the actuarial accrued liabilities as determined by an actuarial valuation ordered by the Retirement Board.

"Indexed benefit" means the initial benefit payable on behalf of a member, adjusted for inflation in an amount equal to the ratio of the June Seattle-Tacoma-Bremerton ("STB") Consumer Price Index for Urban Wage Earners and Clerical Workers ("CPI-W") for the current year over the STB CPI-W for the first half of the calendar year in which a benefit payable on behalf of a member was first paid. If the benefit was first paid during a year in which this index did not exist, the Board shall establish a similar index value to represent the June index value based on published Consumer Price Index information for the Seattle area.

"Initial benefit" means the retirement ~~((allowance))~~ benefit as calculated to be effective on the date of the member's retirement. It takes into account any reductions based on options selected by the member under Section 4.36.610. It shall also mean payments of accumulated contributions made under subsection 4.36.680.B, and payments received by a beneficiary as a result of an option selected under Section 4.36.610.

"Member" means any person included in the retirement system as provided in Sections 4.36.525 ~~((and))~~ through 4.36.535.

"Membership date" means the earliest date that an officer or employee became a member of the retirement system and for which the member has retained creditable service under Sections 4.36.525 through 4.36.535 and Sections 4.36.567 through 4.36.575.

Section 7. Section 4.36.060 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.060 Definitions - ~~((Alphabetical))~~ "N" through "Q"

Unless a different meaning is plainly required by the context the terms used in this ~~((chapter))~~ Chapter 4.36

shall have the following meanings:

"Normal contribution" means contribution at the rate provided for in subsection 4.36.540.A or subsection 4.36.540.B.

"Pension" means payments derived from any contributions made by the City.

"Plan 1" means the Seattle City Employees' Retirement System, Plan 1, providing benefits and covering persons whose membership date in the retirement system is prior to January 1, 2017 or who have retained Plan 1 membership under subsection 4.36.525.K.

"Plan 1 member" means a person whose membership date in the retirement system is prior to January 1, 2017 or who has retained Plan 1 membership under subsection 4.36.525.K.

"Plan 2" means the Seattle City Employees' Retirement System, Plan 2, providing benefits and covering persons whose membership date in the retirement system is on or after January 1, 2017.

"Plan 2 member" means a person whose membership date in the retirement system is on or after January 1, 2017.

Section 8. Section 4.36.070 of the Seattle Municipal Code, last amended by Ordinance 123871, is amended as follows:

4.36.070 Definitions - ((Alphabetical)) "R" through "Z"

Unless a different meaning is plainly required by the context the terms used in this chapter shall have the following meanings:

"Regular interest" means interest compounded annually at such rate as shall have been adopted by the Board of Administration in accordance with the provisions of this Chapter 4.36.

"Retirement ~~((allowance))~~ benefit" means the ~~((annual))~~ amount payable to ~~((the))~~ a member pursuant to Section 4.36.605 or Section 4.36.608~~((, and shall be equal to the sum of the member's pension plus the annuity))~~.

"Retirement fund" means "Employees' Retirement Fund" created and established in Section 4.36.020.

"Retirement system" means the "City Employees' Retirement System" provided for in Section 4.36.080 and the system of death benefits established therein.

Section 9. Section 4.36.080 of the Seattle Municipal Code, enacted by Ordinance 78444, is amended as follows:

4.36.080 Continuance of City Employees' Retirement System ((-))

The retirement system created and established effective July 1, 1929 by Ordinance ~~((No.))~~ 57075 (as amended) known as the "City Employees' Retirement System" is continued in full force and effect.

Section 10. Section 4.36.090 of the Seattle Municipal Code, enacted by Ordinance 78444, is amended as follows:

4.36.090 Death benefit system created ((-))

There is created and established ~~((in addition to))~~ within the retirement system a death benefit system to become effective January 1, 1950.

Section 11. Section 4.36.500 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.500 Retirement System Board of Administration

A. There is created and established a Retirement System Board of Administration ~~((which))~~ that shall ~~((; under the provisions of this chapter and the direction of the City Council,))~~ administer the retirement ~~((and death benefit systems))~~ system and the retirement fund created by this ~~((chapter))~~ Chapter 4.36 for retirement and death benefits. ~~((Under and pursuant to the direction of the City Council, the))~~ The Board as trustee shall provide for the proper investment of the moneys in the retirement fund. The Board of Administration shall consist of seven members as follows:

1. The Chair of the Finance ~~((and Culture))~~ Committee of the City Council, or ~~((this committee's))~~ the Committee's successor;

2. The City Director of Finance;

3. The Seattle Human Resources Director;

4. Two persons who are members of the retirement system and one person who is a retired member, all of whom shall be elected by the members of the retirement system including retired members; provided, that persons who have elected upon termination of their employment to leave all their contributions in the retirement fund pursuant to the provisions of ~~((Section 4.36.655.A))~~ subsection 4.36.665.A shall not be eligible to vote for or be elected to such positions; and provided, further, that at the time of such member's election to the Board, no more than one elected member may be employed in any single City department or other employment unit. In the event that a Board member who was elected as a retirement system member retires during ~~((his or her))~~ the term as a Board member, ~~((he or she))~~ that member shall remain a Board member until the expiration of ~~((his or her))~~ the term; and

5. One member who shall be appointed by the other six members; provided that such appointed member shall not be a City employee or a retired City employee and shall not have membership in the retirement system.

B. Elected members and the appointed member shall serve for a three year term ending July 1~~((st))~~ of the third year of such term.

C. Elections for the members of the Board who are elected as provided in this ~~((section))~~ Section 4.36.500 shall be administered by the Board. Ballots shall be accepted only if received by the Board's designated ballot counter on or before its close of business on the first Monday in June of each calendar year.

D. Any vacancy occurring in an elected position shall be filled by the City Council by appointment to such position of a member eligible to be elected thereto, and provided the member so appointed shall be retired or shall come from the same employing unit as the vacating member. The member so appointed shall serve until such vacancy is filled by the election for the unexpired term of a member eligible to be elected for a full term to such position at the next succeeding first Monday in June, unless the vacancy occurred less than one year before the expiration of the term of such elected member, in which case the member so appointed shall serve

for the remainder of the unexpired term. Any vacancy occurring in the appointed member position(~~((7))~~) shall be filled by appointment by the City Council for the unexpired term.

E. The Chair of the Finance ~~((and Budget))~~ Committee of the City Council, or the chair of the Committee's successor, shall be ex officio ~~((chair))~~ Chair, the Seattle Human Resources Director ex officio Secretary, and the Director of Finance ex officio Treasurer of the Board.

F. The investment of all or any part of the retirement fund shall be in accordance with RCW 35.39.060.

G. Subject to such provisions as may be prescribed by law for the deposit of municipal funds in banks, cash belonging to the retirement fund may be deposited in any licensed national bank or banks in this state, or in any bank, banks, or corporations authorized or licensed to do a banking business and organized under the laws of this state, and a clearing account may be maintained with a depository which holds securities as a nominee for funds received pending transmission to the retirement system as contemplated by RCW 35.39.070.

H. The Director of Finance ~~((and Administrative Services))~~ shall be the custodian of the retirement fund. All payments from said fund shall be made upon warrant duly issued by the Director of Finance ~~((and Administrative Services))~~ or, if the fund is solvent at the time payment is ordered, by check. As custodian, the Director of Finance ~~((and Administrative Services))~~ with the approval of the Board of Administration, may cause securities of the retirement system to be registered in the name of a nominee and authorize the safekeeping of retirement system securities in the physical custody of the Federal Reserve System, a depository trust company, or a bank as contemplated by RCW 35.39.070.

I. Except as herein provided, no member and no employee of the Board shall have any interest, direct or indirect, in making of any investments from the retirement fund, or in the gains or profits accruing therefrom. And no member or employee of the Board, directly or indirectly, ~~((for himself))~~ on the member's or employee's own behalf or as an agent or partner of others, shall borrow any of its funds or deposits or in any manner use the same except to make such current and necessary payments as are authorized by the Board; nor shall any member or employee of the Board become an endorser or surety or become in any manner an obligor for

moneys invested by the Board.

J. No City employee who is elected to the Board shall suffer a monetary loss or other penalty on account of ~~((his/her))~~ absence from ~~((his/her))~~ the employee's regular position during regular hours while attending meetings of the Board or its sub-committees.

Section 12. Section 4.36.505 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.505 Powers and duties of Board

The administration of the ~~((Retirement and Death Benefit System))~~ retirement system and retirement fund, including all benefits provided by this Chapter 4.36, is vested in the Board of Administration created in Section 4.36.500~~((The Board))~~ , which shall exercise the powers and duties conferred upon it by ~~((said section, and in addition thereto))~~ Section 4.36.500. Additionally:

A. The Board shall keep in convenient form such data as shall be necessary for the actuarial valuation of the retirement fund created by this ~~((chapter))~~ Chapter 4.36. ~~((At the end of the three year period beginning with the year 1974, and at the end of every three year period thereafter, the))~~ The Board shall ~~((cause to be made an actuarial investigation into the mortality, service and compensation experience of the members and beneficiaries as defined by this chapter; and shall further cause to be made))~~ authorize an actuarial valuation of the assets and liabilities of the retirement fund~~((, and upon the basis of such investigation and valuation and subject to the approval of the City Council, shall:~~

- ~~1. Make any necessary changes in the rate of interest;~~
- ~~2. Adopt for the retirement system such mortality, service, and other tables as shall be necessary;~~
- ~~3. Revise or change the rate of contribution by the City on the basis of such mortality, service and other tables as may be necessary;~~
- ~~4. Establish an investment advisory committee as contemplated by RCW 35.39.080 through 35.39.090. A copy of the investment policy contemplated by RCW 35.39.060 and the recommendation and~~

report of the investment advisory committee required by RCW 35.39.090 shall be filed with the Director of Finance and Administrative Services, and the City Clerk.)) at least every two years and shall transmit a report on the actuarial valuation to the City Council. Based on the valuation, the Board shall recommend to the City Council any necessary revisions in the rate of contributions of members and the City.

B. The Board shall ~~((promptly))~~ authorize an actuarial investigation of the experience of the mortality, service, and compensation of the members and beneficiaries at least every four years, and shall transmit ~~((to the City Council))~~ a report ~~((covering))~~ on the actuarial investigation ~~((and actuarial valuation provided for in subsection A of this section))~~ to the City Council. Based on the investigation, the Board shall adopt or revise for the retirement system such mortality, service, and other tables and assumptions as necessary.

C. The Board shall establish an investment advisory committee as contemplated by RCW 35.39.080 through 35.39.090. A copy of the written report of the investment advisory committee required by RCW 35.39.090 shall be filed with the Director of Finance and the City Clerk.

D. The Board shall adopt an investment policy as contemplated by RCW 35.39.060. A copy of the investment policy shall be filed with the City Clerk and a copy shall be provided to the Director of Finance.

E. In addition to other records and accounts, the Board shall keep such detailed records and accounts as shall be necessary to show the financial condition of the retirement fund at all times. ~~((D.))~~ The Board shall annually transmit to the City Council a report showing the financial condition of the fund established by this ~~((chapter))~~ Chapter 4.36.

~~((E.))~~ F. Nothing in this ~~((section))~~ Section 4.36.505 shall be construed to limit the right of the Board ~~((, subject to approval of the City Council,))~~ to make changes in rates of interest, subject to approval of the City Council, whenever the Board deems it necessary or advisable, or to secure actuarial reports more ~~((often than every three years))~~ frequently than the time periods for reports in subsections 4.36.505.A and 4.36.505.B.

~~((F. Whenever the Board deems it necessary or advisable, it may recommend that the City Council change the rates of contributions of members on the basis of mortality, service, and other tables adopted by the~~

~~Board pursuant to subsection A of this section.))~~

G. The Board may adopt rules deemed appropriate to carry out this chapter, including delegating any of its powers and duties to a committee consisting of at least three members of the Board. Any action taken by a committee is subject to approval by the Board. The Board may also delegate to the Executive Director powers and duties for efficient administration of the retirement system and fund, including the adoption of policies, procedures, and/or guidelines(~~(, which are))~~) consistent with its rules and with ~~((the ordinance codified herein))~~ this Chapter 4.36. The Executive Director in turn may delegate Executive Director powers and duties to staff as necessary or advisable. In addition, the Board may delegate Board powers and duties to professional third party service providers, including delegating retirement fund management responsibilities to investment managers and consultants.

H. The Board is authorized to execute any and all contracts and agreements necessary or convenient for the proper investment of the moneys in the retirement system after receiving advice of legal counsel. The Board may, by resolution, delegate the authority to sign any such agreements to any Board member or to the Executive Director.

Section 13. Section 4.36.510 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.510 Finality of Board decisions

A. A decision of the Board of Administration shall be final and conclusive on the following matters subject only to review by a court of record, and reversal if the decision is arbitrary or capricious or makes an error of law:

1. The eligibility or obligation of an officer or employee to participate in the Retirement System;
2. The accrual and amount of creditable service; the amount of contributions due to the Retirement System, the amount of contributions received, and the opportunity extended members to redeposit or buy-in of service credit, and the terms thereof;

3. The eligibility for, amount, and kind of benefits payable to any member or beneficiary;
4. A member's eligibility for disability retirement and recall to active duty;
5. The portability of retirement benefits;
6. Termination of benefits; and
7. Compliance with ordinance procedures and Board rules.

B. The Board may delegate the hearing of any of the foregoing to a committee consisting of at least three members of the Board. A member, the Executive Director, if affected, or a City department aggrieved by a committee decision may appeal the committee's decision to the Board by submitting a written request to the Executive Director within ten business days after receipt thereof, and the ~~((board))~~ Board shall hear the matter de novo.

Section 14. Section 4.36.515 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.515 Borrowing of money

The Board, for and on behalf of the retirement system, is authorized to borrow money from time to time, in amounts not to exceed \$1,000,000 outstanding at any one time, and at interest rates not to exceed six percent per year and to execute the necessary notes and pledge as collateral securities held by the retirement system, all in connection with the investment of moneys in the retirement fund authorized by Section 4.36.500. Such notes or other evidence of indebtedness shall not constitute an indebtedness of the City~~((;))~~ and shall be payable solely from the retirement fund.

Section 15. Section 4.36.520 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.520 Lending retirement system securities~~((;))~~

The Board of Administration, after consultation with the ~~((Investment Advisory Committee))~~ investment advisory committee and the Director of Finance and Administrative Services, is authorized to contract with a

bank, which holds securities in its name for the retirement system as contemplated by RCW 35.39.070, for the lending of all or part of these securities to reputable brokers and financial institutions, for a fee, provided that collateral equal to at least 102 percent of the market value of the securities loaned is continuously maintained.

Section 16. Section 4.36.525 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.525 Membership in retirement system

Mandatory ~~((Membership))~~ membership. Every officer or employee of the City and of the Seattle Public Library shall become a member of the retirement system upon entering City service, except for the following five groups:

- ~~((1-))~~ Elective officials exempt under subsection 4.36.525.C ~~((of this section))~~;
- ~~((2-))~~ Individuals with a statutory right to continuation of their membership in a Washington State or federal government retirement system under subsection 4.36.525.D ~~((of this section))~~;
- ~~((3-))~~ Certain officers in positions exempt from civil service under subsections 4.36.525.B and 4.36.525.E ~~((of this section))~~;
- ~~((4- Employees who are excluded under subsection G.4 of this section; and~~
- ~~5-))~~ Temporary, interim, intermittent, or provisional workers, and ~~((part-time))~~ workers in part-time positions ~~((of less than 20 hours per week over a one year period))~~ exempt from the civil service, under Sections 4.36.530 and 4.36.575; and
- ~~((6-))~~ Members of the Police and Fire departments ~~((who are entitled to state pension benefits as))~~ expressly described in subsection 4.36.525.G ~~((of this Section 4.36.525))~~.

A. A member may not withdraw from membership in the system while in City employment.

B. 1986 ~~((Nonmembers))~~ nonmembers. An officer or employee~~((;))~~ who, on June 21, 1986, held an appointive position exempt from the classified civil service with a right to elect to join or rejoin the retirement system from June 21, 1986 to December 31, 1986 and who is not currently a member of the retirement system,

may join the retirement system while holding a position exempt from civil service as authorized by subsection 4.36.525.E. ~~((of this section and))~~ However, such members may acquire creditable service only for City service performed after the date of ~~((his or her))~~ the member's membership. This subsection 4.36.525.B does not apply to officers or employees covered by subsections 4.36.525.C, 4.36.525.D, ~~((and))~~ or 4.36.525.F of this ~~((section,~~
~~))~~ 4.36.525 or, subject to RCW 41.04.120, officers or employees re-entering City service after December 31, 1986.

C. Elective ~~((Officials))~~ officials. An elective official may elect to join the retirement system at any time during ~~((his or her))~~ the official's City service, and may contract for credit for continuous City service performed prior to the date of the official's election to join in accord with ~~((Seattle Municipal Code))~~ Section 4.36.567, provided that credit for such prior City service shall not cover any period during which the City made payments to another retirement system on the official's behalf; nor, after December 31, 1987, shall a contract authorize more than five years' service credit for such prior City service. If an elective official makes an election to join the retirement system on or after January 1, 2017 and is then eligible to contract for credit for City service performed prior to January 1, 2017, the official shall have a one-time election whether to join Plan 2 of this retirement system, and the official's rights to purchase service credit and membership in Plan 1 or Plan 2 shall be determined under subsection 4.36.525.K.

D. Election under statutory right. An officer or employee, who has a statutory right to continue ~~((his or her))~~ membership in a retirement system of the State of Washington or the United States of America during ~~((his or her))~~ City service may, in lieu of membership in the City Employees' Retirement System, arrange with the Seattle Human Resources Director for a deduction from ~~((his or her))~~ pay and the City's payment for retirement system purposes to be paid directly to ~~((his or her))~~ the officer's or employee's other governmental retirement system.

E. Election by ~~((Officers Exempt from Civil Service))~~ officers exempt from civil service. An officer, who holds a position exempt from the civil service system and is not already a member of the City Employees'

Retirement System, may become a member of the system by filing with the Executive Director of the City Employees' Retirement System ~~((his or her))~~ an election to participate in the system. Such an officer shall receive "creditable service" for retirement system purposes only for City service accruing from and after the date of ~~((his or her))~~ the officer's membership. ~~((However, a))~~ If an officer or employee exempt from the civil service system makes an election to join the retirement system on or after January 1, 2017 and is then eligible to purchase credit for City service performed prior to January 1, 2017, the officer shall have a one-time election whether to join Plan 2 of this retirement system, and the officer's rights to purchase service credit and membership in in Plan 1 or Plan 2 shall be determined under subsection 4.36.525.K. An eligible member may purchase creditable service for City service previously rendered but not credited if the member pays into the retirement fund at the time of resignation or at retirement, the actuarial present value of the resulting increase in ~~((his or her))~~ benefit. Terms and conditions of the purchase shall be in accordance with the provisions of ~~((SMC))~~ Section 4.36.567. If an officer who is a member ~~((should leave))~~ leaves City service and later returns, the officer ~~((shall))~~ may resume ~~((his or her))~~ membership ~~((by making a redeposit as contemplated by Section 4.36.567 or become a member upon his or her returning employment with creditable service accruing thereafter))~~ as permitted in subsection 4.36.525.F. An officer or employee who is a member of the retirement system at the time of ~~((his or her))~~ appointment or election to an exempt position shall maintain ~~((his or her))~~ membership.

F. Re-Entry. An officer or employee who withdrew ~~((his or her))~~ the officer's or employee's deposit in the retirement system before or upon ~~((his or her))~~ separation from City service, and later re-enters City service, shall either (a) resume ~~((his or her))~~ membership by making a redeposit as contemplated by Section 4.36.567, or (b) rejoin the retirement system with creditable service accruing thereafter. An officer or employee, who maintains ~~((his or her))~~ the officer's or employee's deposit in the retirement system during a separation from City service, shall continue ~~((his or her))~~ membership upon re-entry into City service. If a former member reenters City service on or after January 1, 2017, and (1) as permitted in Section 4.36.665, the member has

previously withdrawn the member's contributions, (2) the member's withdrawn contributions include contributions made under Plan 1 under subsection 4.36.540.A, and those contributions have not been redeposited as of the date of the member's reentry, the member shall have a one-time election whether to join Plan 2 of this retirement system, and rights to purchase service credit and membership in Plan 1 or Plan 2 shall be determined under subsection 4.36.525.K.

G. The following employees shall not become members of the retirement system, except as contemplated by RCW 41.04.110:

1. Members of the Police Department entitled to the benefits of the Police Relief and Pension Fund under State law;
2. Members of the Fire Department entitled to the benefits of the ~~((Firemen's))~~ Firefighters' Relief and Pension Fund under State law;
3. Members of the Police Department and Fire Department entitled to the benefits of the Washington Law Enforcement Officers' and Fire Fighters' Retirement Fund;
4. Employees in positions established primarily ~~((to provide))~~ for training leading to qualification for positions of Police Officer or Firefighter.

H. The head of each office or department of the City shall give ~~((immediate))~~ notice in writing to the Board as soon as is practicable of the change in status of any member of ~~((his))~~ the office or department, resulting from transfer, promotion, leave-of-absence, family and medical leave, resignation, reinstatement, dismissal, or death. The head of each office or department shall furnish such other information concerning any member as the Board may require.

I. Each member shall be subject to all the provisions of this ~~((chapter))~~ Chapter 4.36 and the rules and regulations of the Board. Should any member be, in the opinion of the Board, permanently separated from City service, or should the member die, ~~((he or she))~~ that member shall thereupon cease to be a member.

J. Maintenance of ~~((Membership))~~ membership. A temporary, interim, intermittent, provisional worker

or ~~((part-time))~~ worker in a part-time position who joins the retirement system shall maintain ~~((his or her))~~ membership in the retirement system for the duration of his or her City service until retirement. A member of the retirement system, who has not retired from the City and who accepts temporary, intermittent, or part-time work, shall continue to make ~~((his or her))~~ contributions to the retirement system.

K. Plan 1 membership and one-time option to elect to join Plan 2 for certain members. In the case of a member entering or reentering City service who has a one-time election to join Plan 2 pursuant to subsections 4.36.525.C, 4.36.525.E, 4.36.525.F, or 4.36.530.B, and who has never previously had such an election, the member shall be considered a continuing Plan 1 member but shall be eligible for a one-time option to elect to join Plan 2 and forfeit Plan 1 membership and all prior rights to redeposit, purchase and/or repurchase contributions, and/or service credit. This one-time option for members qualifying under this subsection 4.36.525.K to elect to join Plan 2 shall operate as follows: qualifying members will be eligible, solely within the first 60 calendar days after reentering City service or electing to join the retirement system, to elect to join Plan 2 by completing a form provided for this purpose by the retirement system. Such an election to join Plan 2 shall be irrevocable and shall constitute an election to completely and permanently forfeit the member's pre-existing rights and status as a Plan 1 member, including but not limited to forfeiture of the ability to make a redeposit or purchase or repurchase of any of the member's contributions or service credit earned prior to the election to join Plan 2. A member eligible to elect to join Plan 2 pursuant to this subsection 4.36.525.K who does not elect to do so within the allowed time period shall have no further election to join Plan 2, and will irrevocably remain a Plan 1 member for all purposes with respect to all of the member's past and future City service, even if the member later withdraws from the retirement system and then reenters City service.

Section 17. Section 4.36.530 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.530 Membership - Temporary, interim, intermittent, and provisional workers and workers in part-time ~~((workers))~~ positions

This ~~((section))~~ Section 4.36.530 and Section 4.36.575 provide the exclusive methods for temporary, interim, intermittent, or provisional workers, ~~((or))~~ and workers in part-time positions ~~((of less than 20 hours per week over a one-year period))~~ exempt from the Civil Service to become members of the retirement system.

A. Opportunities. A worker in active City service on ~~((and))~~or after January 1, 1989, who has a position that is classified as temporary, interim, ~~((or))~~ intermittent, or provisional, or a part-time position ~~((of less than 20 hours per week over a one-year period))~~ exempt from the Civil Service, has the ~~((three))~~ following opportunities to join the retirement system:

1. Within six calendar months of completion of 1,044 hours of continuous compensated straight-time service;
2. Within six calendar months of completion of ~~((five years-))~~10,440 hours~~(())~~ of continuous compensated straight-time service.

For purposes of this ~~((section))~~ Section 4.36.530 and Sections 4.36.555 and 4.36.575, "straight-time service" means regular hours worked, including premium hours but excluding paid overtime hours.

In addition to the opportunities described in this subsection 4.36.530.A, an employee is required to join the system upon appointment to an eligible full-time position or a part-time position covered by the Civil Service unless the position is elective or exempt under ~~((Subsection))~~ subsection 4.36.525.C or 4.36.525.E or the worker has an election under a statutory right under ~~((Section))~~ subsection 4.36.525.D.

B. Buy-in ~~((Option))~~ option. If the worker elects to join the retirement system under subsection~~((s))~~ 4.36.530.A.1 or 4.36.530.A.2 ~~((of this section))~~ or becomes a member upon mandatory appointment to an eligible position, the worker may choose whether or not to acquire ("buy in") service credit for the hours of compensated service earned after first becoming eligible to join the system. If the worker elects to join the retirement system on or after January 1, 2017 and is then eligible to purchase credit for City service performed prior to January 1, 2017, the worker shall have a one-time election whether to join Plan 2 of this retirement system, and rights to purchase service credit and membership in Plan 1 or Plan 2 shall be determined under

subsection 4.36.525.K. The((se)) options for members eligible to purchase prior service credit are described in Section 4.36.575.

C. Exercise of ~~((Option))~~ option. To exercise an option to join the retirement system, a worker must file the documents reasonably required by the Board of Administration before the expiration date.

D. Expiration. If a worker covered by subsection 4.36.530.A does not exercise~~((the))~~ the opportunity to join the retirement system under subsection 4.36.530.A.1 ~~((of this section expires six calendar months after the worker becomes eligible; if not exercised, the opportunity under subsection A.2 expires six calendar months after the worker becomes eligible and))~~ or 4.36.530.A.2, ~~((such a))~~ the worker may only become a member of the retirement system thereafter by appointment to an eligible full- or part-time position or by serving as an elective officer. ~~((If the opportunity under subsection A.2 of this section has expired, the worker shall not receive creditable service for his or her City service in a temporary, interim, intermittent position or a part-time position of less than 20 hours per week over a one year period.))~~

Section 18. Section 4.36.540 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.540 Contributions - members

A. Effective January 4, 2012, members of Plan 1 of the retirement system shall make contributions to the retirement fund at the rate of 10.03 percent of the compensation of each such member, exclusive of overtime; provided that any member whose rate of contribution prior to June 23, 1972, was less than 6 percent and whose rate was increased by 2.03 percent pursuant to Ordinance 111303 shall have such rate further increased by 1 percent, exclusive of overtime, effective January 5, 2011, and by an additional 1 percent, exclusive of overtime, effective January 4, 2012; provided, further, that any reinstated member who has redeposited ~~((his/her))~~ withdrawn contributions plus interest as provided in ~~((subsection))~~ Section 4.36.567, who was a member of the retirement system at any time prior to June 23, 1972, and whose rate of contribution at such prior time was less than 6 percent and whose rate was increased by 2.03 percent of the compensation of

such member pursuant to Ordinance 111303 shall have such rate further increased by 1 percent, exclusive of overtime, effective January 5, 2011, and by an additional 1 percent, exclusive of overtime, effective January 4, 2012.

B. Members of Plan 2 of the retirement system shall make contributions to the retirement fund at the rate of 7.0 percent of compensation.

C. Member contributions as provided in ~~((subsection 4.36.540.A))~~ this Section 4.36.540 shall be deducted by the Director of Finance ~~((and Administrative Services))~~ and shall be paid into the retirement fund, provided for in this ~~((chapter))~~ Chapter 4.36, and shall be credited by the Board together with regular interest.

Every member shall be deemed to consent and agree to the contribution made and provided for in this ~~((section))~~ Section 4.36.540, and ~~((shall receipt))~~ to have been provided in full ~~((for))~~ ~~((his or her))~~ the member's salary or compensation. Payment of such salary or contribution less said contributions shall be a full and complete discharge of all claims and demands whatsoever for the service rendered by such person during the period covered by such payment, except ~~((his or her))~~ the member's claim to the benefits to which ~~((he or she))~~ the member may be entitled under the provisions of this ~~((chapter))~~ Chapter 4.36.

Section 19. Section 4.36.545 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.545 Contributions - City

The City shall match the normal contributions of members described in ~~((Section))~~ subsection 4.36.540.A and provide for payment of the matching contributions into the retirement fund at the earliest time possible. The City shall also contribute, in excess of the matching contributions, the actuarially determined City contribution to provide the moneys necessary to guarantee benefits payable under Sections 4.36.605, 4.36.608, and 4.36.650, as well as all other benefits allowable to members and their beneficiaries under the provisions of this chapter including death benefits, except such as are provided by the accumulated contributions and death benefit

assessments of members. All contributions of the City from all of its departments are available for payment of obligations of the retirement system without segregation by employing departments.

Section 20. Section 4.36.550 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.550 City obligations

A. The payments of the City due the retirement fund as provided for in this chapter are made obligations of the City except as provided in subsection 4.36.550.B ~~((of this section))~~. The Board shall annually, ~~((on or))~~ before ~~((the tenth day of July))~~ August each year, prepare and submit to the City Council an estimate of the amounts necessary to meet such obligations, and the City Council shall provide for the raising of such amounts as are necessary to make such payments.

B. The City may at any time change, modify, or repeal this ~~((chapter))~~ Chapter 4.36 or any part thereof in respect to its future obligations to ~~((any member not at that time receiving or being eligible to a pension hereunder. It is specifically provided, however, and the City covenants and guarantees, that the City's obligation to those members receiving or eligible to a retirement allowance prior to such change, modification or repeal shall continue in full force and effect as provided in this chapter; and that the City's obligation to those members not receiving or being eligible to a pension at the time of such change, modification or repeal, will be a retirement allowance at pension age equal to the actuarial equivalent of the accumulated value of the member's contribution standing to his credit at date of pension, and the value of the City's obligation as actuarially determined under Section 4.36.545 to the date of such change, modification or repeal))~~ the extent permitted by law.

Section 21. Section 4.36.555 of the Seattle Municipal Code, last amended by Ordinance 124575, is amended as follows:

4.36.555 Determination of creditable service

A. A member who has served continuously in a full-time position and not realized any time loss will

accrue a creditable year of service for 12 months' service. No additional credit is given for ~~((Leap Year's Day))~~ February 29.

B. For all other members, a creditable year of service is measured as 2,088 hours of compensated service at straight-time pay.

C. When shown on the City's payroll, paid vacation, sick leave, military leave, funeral leave, and, if the employee pays ~~((his or her))~~ contribution, "time loss" on worker's compensation or time during family and medical leave under Chapter 4.26, are counted. Overtime (whether or not paid), unpaid leave, time not worked during a layoff, strike or disciplinary suspension, and service as a volunteer are not counted. Service on a temporary City assignment to another government or organization may be counted, in the discretion of the Board, if the member or the member's employer pays the employee contribution.

D. Creditable service is calculated by an employee's hours or time worked, as certified by the Director of Finance ~~((and Administrative Services))~~ to the retirement system. When payroll records are available, the Director of Finance ~~((and Administrative Services))~~ shall multiply the hours worked by a temporary, interim, seasonal, or provisional worker, or by ~~((and))~~ a worker in a part-time position ~~((of less than 20 hours per week over a one year period))~~ exempt from the Civil Service by a factor of 1.135 in reporting creditable service to the retirement system, to account for paid leave which was not received and for premium pay which may be substituted for paid leave. The Director of Finance ~~((and Administrative Services))~~ shall reduce the hours or days determined by application of the multiplier by the amount of any paid leave actually provided to the employee and counted in the hours or days worked.

E. No creditable service may accrue for City employment during which the City contributes to another retirement system on the employee's behalf or for a member's City employment after ~~((he or she))~~ that employee or member retires on a service retirement and, except for the annual death benefit assessment, no deduction shall be made from ~~((his or her))~~ that employee or member's pay for retirement purposes.

Section 22. Section 4.36.560 of the Seattle Municipal Code, last amended by Ordinance 124574, is

amended as follows:

4.36.560 Estimate length of service

If it shall be impracticable for the Board to determine from the records the length of service, the compensation, or the age of any member, the Board may estimate, for the purpose of this ~~((chapter))~~ Chapter 4.36, such length of service, compensation, or age.

Section 23. Section 4.36.565 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.565 Modification of ~~((allowance))~~ benefits for service

Subject to the following and all other provisions of this ~~((chapter))~~ Chapter 4.36, including such rules and regulations as the Board shall adopt in pursuance thereof, the Board, subject to the approval of the City Council, shall determine and may modify ~~((allowance))~~ benefits for service as provided in this Section 4.36.565

.

Time during leave on account of sickness or injury, time during family and medical leave under Chapter 4.26, ~~((or))~~ time served in either the Police or Fire Departments, ~~((or))~~ time during which a member was under temporary or provisional appointment before becoming a member, or time during which a member was on extended leave of absence while serving as an officer of a labor organization the membership of which includes City employees, may be allowed in computing creditable service, provided such members shall pay into the retirement fund an amount equal to the normal contributions covering the period for which creditable service is claimed; and provided, further, that as to employees who commenced City service on or before December 31, 1987, the first six ~~((6))~~ months of such members' employment shall be allowed in computing creditable service without such payment. Time during which a member is absent on leave without pay for reasons other than those specified in this ~~((section))~~ Section 4.36.565 shall not be allowed in computing creditable service.

Each member shall file with the Board such information affecting ~~((his or her))~~ the member's status as a member of the retirement system as the Board may require.

Section 24. Section 4.36.567 of the Seattle Municipal Code, enacted by Ordinance 124574, is amended as follows:

4.36.567 Purchase of creditable service

A. Redeposit of ~~((Creditable Service))~~ creditable service for eligible employees reentering City service who had previously withdrawn contributions as provided for in Section 4.36.665.

1. ~~((Any))~~ Except as provided in subsection 4.36.567.D, any member or former member who reenters City service may redeposit in the retirement fund an amount equal to that which ~~((he or she))~~ the member or former member previously withdrew therefrom, or some part thereof, plus compound interest, at the actuarial assumed rate of investment return, which would have accumulated on the amount, as determined by the Board, between the date of ~~((his or her))~~ last termination of ~~((his or her))~~ membership and the date of redeposit. Within two years after ~~((his or her))~~ re-entry into City service, a former member must redeposit the entire sum determined to be due to purchase all, or part of, their former creditable service, or sign and file with the Board a redeposit contract in accord with subsection ~~((4.36.567.B))~~ 4.36.567.C in order to reestablish all or part of ~~((his or her))~~ the former creditable service. In the event such redeposit is made by a member, the City shall reinstate all or that part of the former creditable service purchased by the member.

2. ~~((If))~~ Except as provided in subsection 4.36.567.D, if a member ~~((within two years after reentering the retirement system after a termination of his or her membership does not make such a redeposit or file a properly executed redeposit contract))~~ otherwise eligible to make a redeposit or enter a redeposit contract does not do so as provided above in subsection 4.36.567.A.1 within two years from reentry into City service, ((he or she)) the member may purchase all, or some part of, ~~((his or her))~~ the member's former creditable service ~~((only by paying into the retirement fund the amount, or some part thereof, he or she previously withdrew plus compound interest as determined by the Board. The following provisions apply to redeposits made pursuant to~~

~~this subsection 4.36.567.A.2))~~ by redepositing the amount withdrawn as follows:

a. Determination of applicable interest rates. The interest rate for each year since the date of withdrawal of contributions shall be the greater of the rate the retirement fund has earned, net of fees, as reported by the Retirement System's Investment Performance Consultant, or the interest rate equivalent to the actuarial assumed rate of investment return at the time of executing the redeposit contract.

b. Calculation of "accumulated contributions." For purposes of determining a member's accumulated contributions pursuant to Section 4.36.030, only a portion of the total amount deposited shall be considered. The portion to be considered as the member's accumulated contributions shall be only the amount previously withdrawn as the member's contributions including interest, plus interest calculated at the actuarial assumed rate of investment return.

c. Withdrawal of contributions limited. The total amount deposited for the purchase of said former creditable service will be available for withdrawal by the member only if the member terminates employment with the City and withdraws his or her total accumulated contributions prior to retirement or dies and benefits are not payable under subsections 4.36.680.B and 4.36.680.C. In the event such redeposit is made by a member, ~~((his))~~ the member's rate of contribution shall be as determined under ~~((subsection))~~ Section 4.36.540((-A)), and the City shall reinstate all, or that part of, the former creditable service purchased by the member.

B. Purchase of ~~((Creditable Service))~~ creditable service

1. Unless otherwise stated, members allowed to purchase creditable service pursuant to Chapter 4.36 shall pay, as a single lump sum payment at the time of retirement, the actuarial present value of the resulting increase in their benefit as provided in this subsection 4.36.567.B.1.

a. The actuarial present value shall be calculated by the Retirement Board using the current actuarial assumptions as approved by the Retirement Board.

b. For purposes of determining the member's accumulated contributions pursuant to

Section 4.36.030, only a portion of the total amount deposited shall be considered. The portion to be considered as the member's accumulated contributions shall be calculated at the employee's current hourly rate times the current contribution rate times the number of hours to be purchased.

c. If a member elects to pay at resignation from City service, the actuarial present value will be estimated at the time of resignation and adjusted at retirement for factors existing at the time of retirement, if necessary, according to rules established by the Retirement Board.

d. In the event such payment is made by a member, the City shall consider such City service previously rendered as creditable service for the member.

2. Unless otherwise stated, the purchase price for the purchase of creditable service must be paid in full to the retirement fund prior to the time of resignation from City service or retirement, whichever occurs first.

C. Redeposit and (~~((Purchase Contracts))~~) purchase contracts. These terms and conditions govern redeposit contracts for reentering City officers and employees, deposit contracts of officers and employees joining the system under subsections 4.36.525.C, 4.36.525.E, and 4.36.525.F (~~((of Section 4.36.525))~~) and the purchase of creditable service for past City service.

1. The unpaid balance shall accrue interest at the assumption rate established by the Board for actuarial purposes and in effect at the time the redeposit agreement is signed;

2. The redeposit must be completed within ten years from the date of the member's re-entry into City service;

3. After deducting any immediate redeposit, the balance shall be payable in approximately equal installments every pay period, computed by amortizing interest over the contract term, unless the Board by rule authorizes redeposit in installments of equal payments of principal with interest computed on declining balances;

4. Installment payments shall be deducted from the member's pay during each pay period; and

5. Redeposit agreements shall be subject to the approval of the Board. The Board of Administration in its discretion may include supplemental terms and conditions by rule or by approving a form of agreement on the following subjects, among others:

- a. A minimum installment payment per pay period;
- b. The deferral of a redeposit of an installment during a member's layoff, military leave, or other approved leave, with catch-up redeposits upon the member's resumption of pay status;
- c. Allocation of payments between interest and principal;
- d. Appropriate arrangements in the event of a member's suspension or separation from City service, including the making of set-offs, acceleration of payments, continuation of payments from other sources during the interim, or adjusting creditable service being purchased on a pro-rata basis;
- e. Other terms and conditions as the Board may deem appropriate.

D. No redeposit or repurchase rights for periods of service forfeited under subsection 4.36.525.K.
Notwithstanding anything to the contrary in this Chapter 4.36, a member who has made an election under subsection 4.36.525.K to join Plan 2 shall not retain any rights to redeposit contributions or to purchase or repurchase service credit for any of the member's contributions or service credit earned prior to the election to join Plan 2, nor shall such a member otherwise be eligible restore any creditable service or membership status under Plan 1.

Section 25. Section 4.36.570 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.570 Purchase of creditable service for initial six months of City service for employees hired during 1988 through 1998 period

~~((Buy-back.))~~ Employees who were hired during the period 1988 through 1998 who have not purchased creditable service for the initial six months of employment may purchase said creditable service by paying into the retirement fund, at the time of resignation or retirement from City service, the actuarial present value of the

resulting increase in their benefit. The terms and conditions of purchase shall be in accordance with the provisions of ~~((Subsection))~~ subsection 4.36.567.B.

Section 26. Section 4.36.575 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.575 Buy-in of creditable service by temporary, interim, intermittent, or provisional workers and ~~((part-time))~~ workers in part-time positions

These terms and conditions apply to workers acquiring ("buying in") creditable service under Section 4.36.530 for earlier work in temporary, interim, intermittent, or ~~((and))~~ provisional positions, and ~~((or))~~ part-time positions ~~((of less than 20 hours per week during the course of the year))~~ exempt from the Civil Service.

A. Eligible ~~((Services))~~ services. The first 1,044 hours of City service are not eligible for purchase of creditable service. Only hours in continuous City service as shown on City payrolls can be counted subject to the multiplier in Section 4.36.555. A break in the continuity of City service excludes hours before the break. Such a break in on-call, seasonal, or intermittent service occurs if a worker:

1. Removes ~~((his or her))~~ that worker's name from a roster or listing for work assignments;
2. In seasonal employment, declines the opportunity to work for a season; or, in other employment, fails to work at least 100 hours in any 12 month period;
3. Takes other actions indicating that ~~((he or she))~~ the worker has stopped or suspended for a year providing ~~((his or her))~~ services to the City; or
4. Is discharged from City employment.

B. Amount of ~~((Creditable Service))~~ creditable service. Creditable service shall be granted only for the hours for which both the worker and the City make contributions to the retirement system at the rate contemplated by Section 4.36.540. To receive creditable service for prior City service, ~~((such a))~~ the worker shall deposit into the retirement system an amount determined by the Board of Administration equal to the sum, or some part thereof, that ~~((he or she))~~ the worker would have paid had ~~((he or she))~~ the worker become a

member when first eligible and had deductions been made from ~~((his or her))~~ the worker's pay warrants, through the years, for creditable service, together with interest thereon. Interest shall accrue at the Board's assumption rate established for actuarial purposes from the date of the wage or salary payment to the date of deposit and shall be compounded annually.

C. Waiting ~~((Period, Service Before))~~ period, service before 1988. A worker, who began ~~((his or her))~~ continuous City service on or before December 31, 1987 and has not already received such credit, shall receive creditable service for the first 1,044 hours, or portion thereof, of continuous service ~~((that he or she))~~ worked before January 1, 1988. This is a transitional exception to subsection 4.36.530.B ~~((of Section 4.36.530))~~.

D. Administration. The Board, in its discretion, may delegate to the Executive Director the calculation of the amount of contribution for such ~~((a))~~ worker to acquire ("buy in") in prior creditable service and may authorize its Executive Director to use an approximate formula to simplify computations and/or to determine credit for vacation and other paid leave when City records are not available therefor. For example, for hourly workers, who have held the same or similar positions over the duration of the buy-back period, the Board may determine the amount due by:

1. ~~((Classifying))~~ classifying the worker's creditable hours by the contribution rate in effect at the time the hours were worked;
2. ~~((Multiplying))~~ multiplying the creditable hours in each rate classification by the worker's current hourly wage rate and by the applicable contribution rate; and
3. ~~((Adding))~~ adding the total of the products of all such classifications together.

E. Deposit Contract. The Board may authorize such ~~((a))~~ worker to ~~((make his or her))~~ deposit under an agreement for installment payments under the following terms and conditions:

1. The deposit must be completed within ten years from the date of the member's eligibility to join the retirement system.
2. After deducting any immediate deposits, the balance shall be payable in approximately equal

amortized installments unless the Board authorizes otherwise. Installments shall be deducted from the worker's pay whenever ~~((practical))~~ practicable. By rule the Board may establish a minimum initial deposit and allowable installment payment and may include other appropriate terms and conditions in the agreement.

3. A member may accelerate and prepay all or part of ~~((his or her))~~ the deposits at any time before ~~((he or she))~~ the member dies, retires, or discontinues City service, whichever may be sooner. ~~((In the event of))~~ If extenuating circumstances ~~((that))~~ preclude an earlier payment, the Executive Director may allow a member up to ten days after ~~((his or her))~~ retirement or discontinuance of City service to make a lump sum payment of the balance.

4. If a member dies, retires, or discontinues city service before completion of the contract, the member shall receive creditable service on ~~((his or her))~~ the member's buy-in on a pro rata basis.

5. The member is responsible for making any adjustments appropriate under the Internal Revenue Code with respect to individual retirement accounts and privately administered retirement plans.

F. City ~~((Matching Money))~~ matching money. The City shall match the member's contributions and deposits, including interest, in the same manner as other members. If the worker provided services in two or more departments, at the request of the Director of Finance, the City Budget Director shall apportion the amount of the City contribution among the employing departments. The Director of Finance's determination of apportionment shall be final.

G. If not exercised, the opportunity described in this section 4.36.575 for a worker to acquire ("buy in") service credit for prior City service in a temporary, interim, intermittent, or provisional position, or a part-time position ~~((of less than 20 hours per week over a one year period))~~ exempt from the Civil Service, expires six calendar months after the worker becomes eligible for membership in the retirement system. Members who have otherwise failed to exercise an option to purchase creditable service for prior service previously rendered as a temporary worker, as that term is defined ~~((at))~~ in Section 4.04.030, shall be allowed to purchase creditable service for service previously rendered but not credited as a temporary worker, by paying into the retirement

fund, at the time of resignation from City service or at retirement, the actuarial present value of the resulting increase in ~~((his or her))~~ benefit. The terms and conditions of purchase shall be in accordance with the provisions of ~~((Subsection))~~ subsection 4.36.567.B, and purchases of service credit will not be permitted to the extent forfeited under subsections 4.35.525.K and/or 4.36.567.D.

Section 27. Section 4.36.580 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.580 Creditable service for military service - purchases and ~~((allowance))~~ grants

A. A member may purchase creditable service for past active duty in the armed forces of the United States of America or the State of Washington, by paying into the Retirement Fund, at the time of resignation from City service or at the time of retirement, the actuarial present value of the resulting increase in ~~((his or her))~~ benefit. Terms and conditions of purchase shall be in accordance with the provisions of ~~((Subsection))~~ Section 4.36.567. In no instance shall military service in excess of five ~~((5))~~ years be credited under this ~~((chapter))~~ Chapter 4.36.

B. Any member who shall make ~~((his))~~ normal contributions to the retirement system while on leave of absence under Section 1 of Ordinance 69816 or while absent in the active service of the United States Public Health Service in fulfillment of military service obligations under laws of the United States, or who after ~~((his))~~ returning to City service shall make the same in full or in monthly payments equal to ~~((his))~~ the member's current normal contribution, shall for the period of such leave of absence be entitled to all rights, privileges, and benefits allowable under such system, including the ~~((allowance))~~ grant of such time as creditable service. In addition, any member in the City service on December 27, 1972, who heretofore or who hereafter enters the active military or naval service after having been laid off from City employment and who reentered or reenters City service subsequent to such active military or naval service shall be entitled to all rights, privileges, and benefits allowable under such system, including the ~~((allowance))~~ grant of such period of military or naval service as creditable service provided that such member pay to the retirement system his normal contributions

for such period.

Section 28. Section 4.36.585 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

A. Direct ~~((Transfers))~~ transfers. Effective January 1, 2002, the retirement fund possesses the specific authority to enter into direct transfer of assets agreements with the trustees of an eligible plan under Section 457 of the ~~((Internal Revenue))~~ Code ~~((which))~~ that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state, or from a plan under Section 403(b) of the ~~((Internal Revenue))~~ Code, for the purchase of creditable service otherwise available pursuant to ~~((SMC))~~ Chapter 4.36.

B. Other ~~((Rollovers))~~ rollovers. Effective January 1, 2002, the retirement fund may accept participant rollover contributions and/or direct rollovers of distributions from other retirement plans which are eligible retirement plans described in ~~((Internal Revenue))~~ Code Section 402(c)(8)(B) to the extent allowed by the ~~((Internal Revenue))~~ Code. The fund may accept rollovers from such sources and may develop such procedures and rules as it deems necessary or desirable to comply with the requirements and guide its decisions regarding participant rollover contributions and/or direct rollovers of distributions it will accept. Such rollover contributions and direct rollovers may be used for the purchase of service credit otherwise available pursuant to ~~((SMC))~~ Chapter 4.36.

Section 29. Section 4.36.590 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.590 Election to participate in chapter 41.54 RCW ~~((Chapter 41.54))~~

A. As authorized by ~~((RCW))~~ chapter 41.54 ~~((.061))~~ RCW, the City irrevocably elects to participate in the portability of public retirement systems as contemplated by ~~((RCW Chapter))~~ chapter 41.54 RCW, which provisions as amended are incorporated herein by reference, and to pay for the additional cost it may incur as a result of the benefits provided.

B. The eligibility of members for the portability of public retirements benefits, the benefits available thereunder, the limitations (including RCW 41.54.080), and the procedures ~~((shall be))~~ as set out in chapter 41.54 RCW ~~((Chapter 41.54. A))~~ shall establish whether a member may aggregate service credit in two or more retirement systems for the purpose of determining the percentage factor to be used in calculating a service retirement ~~((allowance))~~ benefit pursuant to subsection 4.36.605.B or Section 4.36.608.

C. Beginning January 1, 2003, a dual member, as defined ~~((at))~~ in RCW 41.54.010(4), who has failed to restore creditable service pursuant to RCW 41.54.020(2), or to redeposit during the period of December 1, 2001 through December 31, 2002 as provided in Section 9 of Ordinance 120684, may redeposit in the retirement fund an amount equal to ~~((that which he or she))~~ the amount previously ~~((withdrew))~~ withdrawn therefrom plus compound interest as determined by the Board. The terms and conditions of purchase shall be in accordance with the provisions of subsection 4.36.567.B.

Section 30. Section 4.36.595 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.595 Beneficiaries - Domestic partners

An unmarried officer or employee may designate ~~((his or her))~~ the officer's or employee's domestic partner as ~~((his or her))~~ beneficiary for purposes of the benefits set forth in Sections 4.36.600, 4.36.605, 4.36.607, 4.36.608, 4.36.610, 4.36.650, ((4.36.610,)) 4.36.680, and 4.36.690 ~~((of this chapter))~~ upon the following terms and conditions.

A. The officer ~~((of))~~ or employee shall file an affidavit of domestic partnership as described in Sections 4.30.010 and 4.30.020 and file a copy of said affidavit with the Executive Director of the Retirement System. If the member is no longer an officer or employee of the City, ~~((he or she))~~ the member may designate ~~((his or her))~~ a domestic partner by signing an affidavit as described in Section 4.30.020 and filing said affidavit with the Executive Director of the Retirement System.

B. A member who is married may not file an affidavit of domestic partnership. If a member has filed an

affidavit of domestic partnership and is married, or thereafter becomes married, such affidavit shall be ((considered)) void. A member who has filed an affidavit of domestic partnership pursuant to this ((section)) 4.36.595 shall immediately notify the Executive Director in writing if ((he or she)) the member has married and shall promptly file with the Executive Director a termination of the affidavit of domestic partnership. Termination of domestic partnership shall otherwise be as provided in Section 4.30.030, provided that the member shall also file a notice of termination of domestic partnership with the Executive Director.

C. Nothing in this ((chapter)) Chapter 4.36 shall be construed as granting to a domestic partner a property right to retirement benefits of a member. A member who has filed an affidavit of domestic partnership with the Executive Director does not need the consent of ((his or her)) the member's domestic partner to take action with respect to ((his or her)) retirement benefits, including selection of a retirement option.

The Retirement Board is authorized to promulgate such rules as it deems necessary to implement this ((section)) Section 4.36.595.

Section 31. Section 4.36.600 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.600 Retirement of a Plan 1 member for service by Board

Retirement of a Plan 1 member for service shall be made by the Board as follows:

A. Any Plan 1 member in the City service may retire by filing with the Board a written application, stating when ((he)) the member desires to be retired, such application to be made at least 30 days prior to date of retirement; provided, however, that the member, at the time specified for ((his)) retirement, shall have completed five years of City service as defined in this ((chapter)) Chapter 4.36, and shall have attained the age of 62 years, or shall have completed ten years of City service, and shall have attained the age of 57 years, or shall have completed 20 years of City service and shall have attained the age of 52 years, or shall have completed 30 years of City service as defined in this ((chapter)) Chapter 4.36. Permanent discontinuance of

City service after the Plan 1 member has become eligible for a retirement ~~((allowance))~~ benefit under the provisions of this ~~((chapter))~~ Chapter 4.36 shall entitle such member to his retirement ~~((allowance))~~ benefit: Provided that if discontinuance of City service is caused by ~~((intemperance, wilful))~~ willful misconduct or violation of law on the part of the member, of which the Board shall be the judge, the Board of Administration, in its discretion, may pay to the member, in one lump sum, ~~((his))~~ the member's accumulated contributions, in lieu of a retirement ~~((allowance))~~ benefit, and such payment shall constitute full satisfaction of all obligations of the City or the retirement system to such member, and upon receipt of such payment ~~((he))~~ the member shall cease to be a member of the system.

B. Any Plan 1 member of the retirement system who, upon termination of ~~((his))~~ employment with the City after earning at least five ~~((years' membership))~~ years of creditable service in the retirement system, elects to leave all ~~((his))~~ the member's contributions in the retirement fund pursuant to ~~((Subsection))~~ Section 4.36.665 shall be eligible to receive a retirement ~~((allowance))~~ benefit upon reaching the age of 62 years; provided, that if such member completed ten years of service prior to termination of ~~((his))~~ employment, ~~((he))~~ the member shall be eligible to receive a retirement ~~((allowance))~~ benefit upon reaching the age of 57 years, and if such member completed 20 years of service prior to termination of ~~((his))~~ employment, ~~((he))~~ the member shall be eligible to receive a retirement ~~((allowance))~~ benefit upon reaching the age of 52 years. Such person shall file with the Board a written application, stating the date when ~~((he))~~ the person wishes the payment of ~~((his))~~ retirement ~~((allowance))~~ benefit to commence, at least 30 days prior to said date. ~~((He))~~ The member shall thereupon be awarded a retirement ~~((allowance))~~ benefit as provided for members in Section 4.36.605, and shall be eligible to elect in lieu thereof any of the options provided in Section 4.36.610; provided, that any person leaving the City service prior to qualifying for retirement under subsection 4.36.600.A ~~((of this section))~~ shall not be eligible to receive any disability retirement ~~((allowance))~~ benefit under Sections 4.36.650, 4.36.655, and 4.36.660, nor shall ~~((his))~~ that person's estate or ~~((his))~~ beneficiaries receive the death benefit provided in Section 4.36.690; provided further, that persons leaving the City service prior to qualifying for

retirement under subsection 4.36.600.A ~~((of Section 4.36.600))~~ shall, if and when eligible to receive a retirement ~~((allowance))~~ benefit as provided in this subsection 4.36.600.B, be eligible for the alternative ~~((allowance))~~ benefit computation provided in subsection 4.36.605.B ~~((of Section 4.36.605))~~, based upon ~~((his))~~ the member's age at the time of commencement of payment of such member's retirement ~~((allowance))~~ benefit, and in the event any such former employee dies before commencement of ~~((his))~~ the member's retirement ~~((allowance))~~ benefit pursuant to this subsection 4.36.600.B, the provisions of ~~((Subsection))~~ subsection 4.36.680.C shall be applicable to such person's spouse or domestic partner, if named as beneficiary, and if there is no surviving spouse or domestic partner, the provisions of ~~((Subsection))~~ subsection 4.36.680.C.2 shall be applicable to such person's child or children under the age of 18 years, if named as beneficiary.

C. Any former employee who prior to March 1, 1977, discontinued ~~((his))~~ City service to accept other public employment and who, because of such subsequent public employment, was permitted to leave ~~((his))~~ the employee's contributions in the retirement fund ~~((;))~~ shall be eligible to receive a retirement ~~((allowance))~~ benefit upon reaching the age of 65 years; provided, that if such former employee completed five years of City service, ~~((he))~~ the employee shall be eligible to receive a retirement ~~((allowance))~~ benefit upon reaching the age of 62 years, and if such former employee completed ten years of City service, ~~((he))~~ the employee shall be eligible to receive a retirement ~~((allowance))~~ benefit upon reaching the age of 57 years; and if such former employee completed 20 years of City service, ~~((he))~~ the employee shall be eligible to receive a retirement ~~((allowance))~~ benefit upon reaching the age of 52 years. Such person shall file with the Board a written application, stating the date when ~~((he))~~ the person wishes the payment of ~~((his))~~ retirement ~~((allowance))~~ benefit to commence, at least ~~((thirty))~~ 30 days prior to said date. ~~((He))~~ Such person shall thereupon be awarded a retirement ~~((allowance))~~ benefit as provided for members in Section 4.36.605, and shall be eligible to elect in lieu thereof any of the options provided in Section 4.36.610; provided, that any former employee to whom this subsection is applicable shall not be eligible to receive any disability retirement ~~((allowance))~~ benefit under Sections 4.36.650, 4.36.655, and 4.36.660, nor shall ~~((his))~~ the employee's estate or ~~((his))~~

beneficiaries receive the death benefit provided in Section 4.36.690; provided further, that such former employees shall, if and when eligible to receive a retirement ~~((allowance))~~ benefit as provided in this subsection, be eligible for the alternative ~~((allowance))~~ benefit computation provided in subsection 4.36.605.B, based on ~~((his or her))~~ the employee's age at the time of commencement of payment of such member's retirement ~~((allowance))~~ benefit, and, in the event any such person dies before commencement of ~~((his))~~ retirement ~~((allowance))~~ benefit pursuant to this subsection 4.36.600.B, the provisions of subsection 4.36.680.B shall be applicable to such person's spouse or domestic partner, if named as beneficiary, and if there is no surviving spouse or domestic partner, the provisions of subsection 4.36.680.C shall be applicable to such person's child or children under the age of 18 years, if named as beneficiary.

Section 32. Section 4.36.605 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.605 ~~((Retirement allowances))~~ Plan 1 retirement benefits designated

A Plan 1 member, upon retirement from service, shall receive a retirement benefit determined under subsection 4.36.605.A or 4.36.605.B, whichever is greater:

A. ~~((A member, upon retirement from service, shall receive a retirement allowance subject to the provisions of subsection B of this section, which shall consist of:))~~ The sum of:

1. An annuity, which shall be the actuarial equivalent of ~~((his))~~ the member's accumulated contributions at the time of ~~((his))~~ retirement; and

2. A pension purchased by the contributions of the City, equal to the annuity purchased by the accumulated ~~((normal))~~ contributions of the Plan 1 member ~~((;-))~~ ; or

B. The benefit determined by using the "percentage" scale in the following ~~((Table 4.36.605.B))~~ Table A for 4.36.605, ~~((may be used in fixing the amount of a service retirement allowance, to be))~~ computed by multiplying the number of years of creditable service by the indicated percentage of final compensation. ~~((; provided that such scale may also be used in determining benefits of surviving spouses and domestic partners~~

of employees receiving disability retirement benefits under Subsection 4.36.650.D provided, further, that such scale may also be used in determining benefits payable under Subsection 4.36.680.C to the surviving spouse and domestic partner of any member who was at least 48 years of age at the time of such member's death.))

This scale shall also be used in determining benefits of surviving spouses and domestic partners of Plan 1 members receiving disability retirement benefits under subsection 4.36.650.D, and in determining benefits payable under subsection 4.36.680.C to the surviving spouse and domestic partner of any Plan 1 member. Use of ((this)) the scale is subject to the limitation that the retirement ((allowance)) benefit of such a Plan 1 member shall not exceed 60 percent of the member's final compensation. ((The retirement allowance payable over and above the basic pension shall be purchased by contributions of the City. The application of the scale herein established shall be at the option of the member.))

((TABLE FOR SECTION 4.36.605.B)) Table A for 4.36.605									
Years of Service	Retirement Age ((or, for Surviving Spouse's Benefits, Deceased Member's Age at Death))								
	((48	49	50	51))	52	53	54	55	56
30 or more	((2.00	2.00	2.00	2.00))	2.00	2.00	2.00	2.00	2.00
29	((1.70	1.80	1.90	2.00))	2.00	2.00	2.00	2.00	2.00
28	((1.60	1.70	1.80	1.90))	2.00	2.00	2.00	2.00	2.00
27	((1.50	1.60	1.70	1.80))	1.90	2.00	2.00	2.00	2.00
26	((1.40	1.50	1.60	1.70))	1.80	1.90	2.00	2.00	2.00
25	((1.30	1.40	1.50	1.60))	1.70	1.80	1.90	2.00	2.00
24	((1.20	1.30	1.40	1.50))	1.60	1.70	1.80	1.90	2.00
23	((1.10	1.20	1.30	1.40))	1.50	1.60	1.70	1.80	1.90
22	((1.00	1.10	1.20	1.30))	1.40	1.50	1.60	1.70	1.80
21	((.90	1.00	1.10	1.20))	1.30	1.40	1.50	1.60	1.70
20	((.82	.90	1.00	1.10))	1.20	1.30	1.40	1.50	1.60
((10-19	.82	.89	.96	1.03))	1.10	1.20	1.30	1.40	1.50))
	57	58	59	60	61	62	63	64	65
30 or more	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
29	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
28	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
27	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
26	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
25	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00

24	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
23	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
22	1.90	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
21	1.80	1.90	2.00	2.00	2.00	2.00	2.00	2.00	2.00
20	1.70	1.80	1.90	2.00	2.00	2.00	2.00	2.00	2.00
10-19	1.52	1.58	1.64	1.70	1.76	1.82	1.88	1.94	2.00
5-9	-	-	-	-	-	1.82	1.88	1.94	2.00
¹ Can retire at any age (for 30 or more years)									

Section 33. A new Section 4.36.607 is added to the Seattle Municipal Code as follows:

4.36.607 Retirement of a Plan 2 member for service by Board

Retirement of a Plan 2 member for service shall be made by the Board as follows:

A. Any Plan 2 member in the City service may retire by filing with the Board a written application, stating when the member desires to be retired, such application to be made at least 30 days prior to date of retirement; provided, however, that the member, at the time specified for retirement, shall have completed five years of City service as defined in this Chapter 4.36, and shall have attained the age of 60 years; or shall have completed ten years of City service, and shall have attained the age of 57 years; or shall have completed 20 years of City service, and shall have attained the age of 55 years. Permanent discontinuance of City service after the Plan 2 member has become eligible for a retirement benefit under the provisions of this Chapter 4.36 shall entitle such member to the retirement benefit; provided that if discontinuance of City service is caused by willful misconduct or violation of law on the part of the member, of which the Board shall be the judge, the Board of Administration, in its discretion, may pay to the member, in one lump sum, the member's accumulated contributions, in lieu of a retirement benefit, and such payment shall constitute full satisfaction of all obligations of the City to such member, and upon receipt of such payment the member shall cease to be a member of the system.

B. Any Plan 2 member of the retirement system who, upon termination of employment with the City after earning at least five years of creditable service in the retirement system, elects to leave all the member's contributions in the retirement fund pursuant to Section 4.36.665 shall be eligible to receive a retirement benefit

upon reaching the age of 60 years; provided, that if such member completed ten years of service prior to termination of employment, he shall be eligible to receive a retirement benefit upon reaching the age of 57 years, and if such member completed 20 years of service prior to termination of his employment, he shall be eligible to receive a retirement benefit upon reaching the age of 55 years. Such member shall file with the Board a written application, stating the date when the member wishes the payment of retirement benefit to commence, at least 30 days prior to said date. The member shall thereupon be awarded a retirement benefit as provided for Plan 2 members in Section 4.36.608, and shall be eligible to elect in lieu thereof any of the options provided in Section 4.36.610; provided, that any person leaving the City service prior to qualifying for retirement under subsection 4.36.607.A shall not be eligible to receive any disability retirement benefit under Sections 4.36.650, 4.36.655, and 4.36.660, nor shall such person's estate or beneficiaries receive the death benefit provided in Section 4.36.690; provided further, that in the event any such former employee dies before commencement of retirement benefit pursuant to this subsection 4.36.607.B, the provisions of subsection 4.36.680.C shall be applicable to such person's spouse or domestic partner, if named as beneficiary, and if there is no surviving spouse or domestic partner, the provisions of subsection 4.36.680.C.2 shall be applicable to such person's child or children under the age of 18 years, if named as beneficiary.

Section 34. A new Section 4.36.608 is added to the Seattle Municipal Code as follows:

4.36.608 Plan 2 retirement benefits designated

The percentage scale in Table A for 4.36.608 shall be used in fixing the amount of a service retirement benefit for a Plan 2 member, to be computed by multiplying the number of years of creditable service by the indicated percentage of final compensation. This scale shall also be used in determining benefits of surviving spouses and domestic partners of Plan 2 members receiving disability retirement benefits under subsection 4.36.650.D, and in determining benefits payable under subsection 4.36.680.C to the surviving spouse or domestic partner of any Plan 2 member.

Table A for 4.36.608

Years of Service	Retirement Age										
	55	56	57	58	59	60	61	62	63	64	65
35 or more	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
34	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
33	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
32	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
31	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
30	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
29	1.68	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
28	1.61	1.68	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
27	1.54	1.61	1.68	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
26	1.47	1.54	1.61	1.68	1.75	1.75	1.75	1.75	1.75	1.75	1.75
25	1.40	1.47	1.54	1.61	1.68	1.75	1.75	1.75	1.75	1.75	1.75
24	1.33	1.40	1.47	1.54	1.61	1.68	1.75	1.75	1.75	1.75	1.75
23	1.26	1.33	1.40	1.47	1.54	1.61	1.68	1.75	1.75	1.75	1.75
22	1.19	1.26	1.33	1.40	1.47	1.54	1.61	1.68	1.75	1.75	1.75
21	1.12	1.19	1.26	1.33	1.40	1.47	1.54	1.61	1.68	1.75	1.75
20	1.05	1.12	1.19	1.26	1.33	1.40	1.47	1.54	1.61	1.68	1.75
19	-	-	1.12	1.19	1.26	1.33	1.40	1.47	1.54	1.61	1.75
18	-	-	1.05	1.12	1.19	1.26	1.33	1.40	1.47	1.61	1.75
17	-	-	0.98	1.05	1.12	1.19	1.26	1.33	1.47	1.61	1.75
16	-	-	0.91	0.98	1.05	1.12	1.19	1.33	1.47	1.61	1.75
15	-	-	0.84	0.91	0.98	1.05	1.19	1.33	1.47	1.61	1.75
14	-	-	0.77	0.84	0.91	1.05	1.19	1.33	1.47	1.61	1.75
13	-	-	0.70	0.77	0.91	1.05	1.19	1.33	1.47	1.61	1.75
12	-	-	0.63	0.77	0.91	1.05	1.19	1.33	1.47	1.61	1.75
11	-	-	0.63	0.77	0.91	1.05	1.19	1.33	1.47	1.61	1.75
10	-	-	0.63	0.77	0.91	1.05	1.19	1.33	1.47	1.61	1.75
9	-	-	-	-	-	1.05	1.19	1.33	1.47	1.61	1.75
8	-	-	-	-	-	1.05	1.19	1.33	1.47	1.61	1.75
7	-	-	-	-	-	1.05	1.19	1.33	1.47	1.61	1.75
6	-	-	-	-	-	1.05	1.19	1.33	1.47	1.61	1.75
5	-	-	-	-	-	1.05	1.19	1.33	1.47	1.61	1.75

Section 35. Section 4.36.610 of the Seattle Municipal Code, last amended by Ordinance 124574, is

amended as follows:

4.36.610 Optional ~~((lesser))~~ reduced retirement ~~((allowances and distribution of benefits upon death of a member who has been retired for service))~~ benefits and beneficiary benefits

A. Election of ~~((Optional Lesser Retirement Allowances))~~ optional reduced retirement benefits. A member may elect to receive, in lieu of the retirement ~~((allowance))~~ benefit provided for Plan 1 members in Section 4.36.605 or Plan 2 members in Section 4.36.608, its actuarial equivalent in the form of a ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit, payable in accordance with the terms and conditions of one of the options set forth in Options A through E ~~((of this Section))~~ , subsections 4.36.610.C.1 through 4.36.610.C.5. In addition, Options F and/or G (subsections 4.36.610.C.6 and 4.36.610.C.7) may be elected alone or in conjunction with one of ~~((the options set forth in))~~ Options A through E. The election of Option F or G will result in the actuarial equivalent of the retirement ~~((allowance))~~ benefit otherwise payable. Option G includes the lump sum payment of a partial refund. If a combination is elected, the ~~((lesser))~~ reduced retirement ~~((allowance))~~ benefit shall be determined by first applying the Option G factor, ~~((if applicable,))~~ then the Option F factor, ~~((if applicable,))~~ and then finally the Option A - E factor, as applicable.

Election of any option must be made by written application filed with the Board of Administration at least 30 days in advance of retirement as provided in Section 4.36.600 or 4.36.607, and shall not be effective unless approved by the Board ~~((prior to retirement of the member))~~. The amount paid to a member, a beneficiary, or a surviving spouse shall be reduced by payments made to an alternate payee under a court or department order as contemplated by Section 4.36.630.

B. Distribution of ~~((Benefits Upon Death of a Retired Member))~~ benefits upon death of a retired member. Upon the death of a retired member, any death benefits will be payable in accordance with the provisions of the options elected under this ~~((section))~~ Section 4.36.610, if any.

C. Options A through G ~~(())~~

1. OPTION A. The ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit shall be payable

to the member throughout ~~((his))~~ the member's life; provided, that if ~~((he))~~ the member dies before ~~((he receives))~~ receiving in annuity payments pursuant to ~~((subsection 4.36.605.A.1))~~ Section 4.36.605 or 4.36.608 a total amount equal to the amount of ~~((his))~~ the member's accumulated contributions as of the date of ~~((his))~~ retirement, the balance of such accumulated contributions shall be paid in one lump sum to ~~((his))~~ the member's estate or to such person as ~~((he))~~ the member shall nominate by written designation duly executed and filed with the Board.

2. OPTION B. The ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit shall be payable to a member throughout ~~((his))~~ the member's life; provided, that if ~~((he))~~ the member dies before ~~((he receives))~~ receiving in annuity payments pursuant to ~~((subsection 4.36.605.A.1))~~ Section 4.36.605 or 4.36.608 a total amount equal to the amount of ~~((his))~~ the member's accumulated contributions as of the date of ~~((his))~~ retirement, the annuity payments resulting from ~~((his))~~ the member's accumulated contributions shall be continued and paid to ~~((his))~~ the member's estate or to such person as ~~((he))~~ the member shall nominate by written designation duly executed and filed with the Board, until the total amount of annuity payment shall equal the amount of ~~((his))~~ the member's accumulated contributions as it was at the date of ~~((his))~~ retirement.

3. OPTION C. The member shall elect a “guaranteed period” of any number of years. If ~~((he))~~ the member dies before the ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit has been paid to ~~((him))~~ the member for the number of years elected by ~~((him))~~ the member as the “guaranteed period,” the ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit shall be continued to the end of the “guaranteed period,” and during such continuation shall be paid to ~~((his))~~ the member's estate or to such person as ~~((he))~~ the member shall nominate by written designation duly executed and filed with the Board.

4. OPTION D. The ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit shall be payable to the member throughout life, and after the death of the member, 1/2 of the ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit shall be continued throughout the life of and paid to the individual who was the spouse or domestic partner of the member at the time of retirement. If the spouse or domestic partner

predeceases the member, then upon receipt of written notice of such death by the Board, the member's retirement ~~((allowance))~~ benefit shall increase to the amount that would have been provided ~~((as))~~ if the member had not selected this option.

5. OPTION E. The ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit shall be payable to the member throughout life, and after death of the member it shall be continued throughout the life of and paid to the individual who was the spouse or domestic partner of the member at the time of retirement. If the spouse or domestic partner predeceases the member, then upon receipt of written notice of such death by the Board, the member's retirement ~~((allowance))~~ benefit shall increase to the amount that would have been provided as if the member had not selected this option.

6. OPTION F. A member who retires from service prior to the age of becoming eligible for retirement payments under the federal system, commonly known as Social Security, and who at the time of retiring ~~((is fully insured under the federal system))~~ provides a proper written estimate of Social Security retirement benefits, may elect to have ~~((his))~~ the member's retirement ~~((allowance))~~ benefit payable ~~((during his or her life only, increased prior to the age at which the member could elect an unreduced Social Security retirement benefit and reduced after such age by amounts which have equivalent actuarial values. Prior to retirement, the member shall obtain, and provide to the Board, a written estimate of his Old Age Benefit for the age at which the member could elect an unreduced Social Security benefit))~~ over the member's lifetime in a greater amount prior to Social Security retirement age and a lesser amount after Social Security retirement age, with the goal of providing a reasonably level amount of combined retirement benefits under this retirement system and Social Security. Under this option, the benefit payable under the retirement system before the member's age of eligibility for unreduced Social Security benefits is increased, and the member's benefit payable after such age is decreased, with the difference between those two amounts to be the estimated amount of benefits payable to the member in unreduced Social Security retirement benefits. The amounts payable before and after unreduced Social Security retirement eligibility are determined on an actuarial basis, to provide

an actuarially equivalent benefit to what the member would receive if not selecting this option, and based on an estimated Social Security retirement benefit that assumes that the member will continue to work and earn credit for Social Security retirement benefits until the member's date of eligibility for unreduced Social Security retirement. If selected, benefits payable under this option will change at the member's predetermined date of eligibility for unreduced Social Security retirement benefits, regardless of whether the member elects Social Security benefits at an earlier or later date, and benefits under this system will not change based on any differences between estimated and actual Social Security benefits. If Option F is elected and the member's death occurs prior to the age at which the member could have elected an unreduced Social Security retirement benefit, any death benefit payable under any other option after the date the member would have attained such age, shall reflect the expected ~~((lesser))~~ reduced amount of Option F.

7. OPTION G. The member may elect to receive a lump sum payment upon retirement, of either 50 percent or 100 percent of ~~((his or her))~~ the member's accumulated contributions. The member's retirement ~~((allowance))~~ benefit as provided for in Section 4.36.605 or 4.36.608 shall be reduced by the actuarial equivalent of the withdrawn lump sum.

Section 36. Section 4.36.615 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.615 Annual cost of living adjustment

A. Effective with the retirement ~~((allowance))~~ benefit payable on or about December ~~((1st))~~ 1 of each year, a member's or beneficiary's adjusted benefit shall be increased by 1 1/2 percent, except as otherwise provided in this ~~((section))~~ Section 4.36.615.

B. For any calendar year, the member or beneficiary shall receive the greater of:

1. ~~((The))~~ the adjusted benefit; or
2. ~~((Sixty-five))~~ 65 percent of the indexed benefit.

Pursuant to Ordinance 120685, effective January 1 of the year the Retirement Board files with the City

Clerk notification that the funding ratio of the retirement fund is 100 percent or higher, subsection ((4.36.215.B.2)) 4.36.615.B.2 shall read “Seventy percent of the indexed benefit.”

Section 37. Section 4.36.620 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.620 Payments in monthly installments

A pension, annuity, or a retirement ~~((allowance))~~ benefit granted under the provisions of this ~~((chapter))~~ Chapter 4.36, unless otherwise specified herein, shall be payable in monthly installments, and each installment shall be for the current calendar month.

Section 38. Section 4.36.625 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.625 Benefits not subject to garnishment or attachment

The right of a person to a death benefit, pension, ~~((an))~~ annuity, or ~~((a))~~ retirement ~~((allowance))~~ benefit, ~~((to))~~ or the return of contributions, ((the death benefit, pension, annuity or retirement allowance itself,)) or the benefit payments themselves, any optional benefit, any other right accrued or accruing to any person under the provisions of this ~~((chapter))~~ Chapter 4.36, and the moneys in the fund created under this ~~((chapter))~~ Chapter 4.36 shall not be subject to execution, garnishment, attachment, or any other process whatsoever, and shall be unassignable except as ~~((in this chapter))~~ specifically provided in this Chapter 4.36.

Section 39. Section 4.36.630 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.630 Qualified domestic relations orders-Orders of State Department of Social and Health Services to withhold and deliver

A. Authority. The Director may make payments to:

1. A spouse, former spouse, child, or other dependent of a member as directed in an order of the court that constitutes a qualified domestic relations order under 26 U.S.C. § 414(p); and/or

2. The Washington State Department of Social and Health Services as directed in an order to withhold and deliver under RCW ((70.20A.080)) 74.20A.080, each subject to the terms and conditions of this section, and to supplemental requirements that may be adopted by the Director by rule consistent with state and federal law to implement ((the ordinance codified in this section)) this Chapter 4.36.

The term “order” as used in this ((section)) Section 4.36.630 means either or both of the ((foregoing)) orders in this subsection 4.36.630.A, and the term “alternate payee” means the recipient of payment on account of an order.

B. Limitations ((:))

1. Any payment to an alternate payee pursuant to an order shall reduce by a like amount the payment of benefits or withdrawal of contributions that would otherwise have been payable to or on account of the member without the order. Payment of an order shall first commence when benefits or a withdrawal of contributions is made to or on account of the member. The amount paid shall not exceed the benefits payable under this ((chapter)) Chapter 4.36 and the retirement option selected by the member ((:)) or, in the case of a withdrawal of accumulated contributions, the amount on deposit to the credit of the member.

2. A payment to the alternate payee shall cease if the payment to a member would end on account of ((his or her)) the member's death under a retirement option (Sections 4.36.605, 4.36.608, ((through)) or 4.36.610) or the member's reemployment (Sections 4.36.655 and 4.36.635) in the absence of the order. The Director may not, on account of such an order, limit or coerce the decision of an eligible member to accept a disability ((allowance)) benefit (Sections 4.36.645 through 4.36.650) or, if on disability retirement, to return to City employment (Sections 4.36.655 and 4.36.660), or to convert to a service retirement ((allowance)) benefit (Section 4.36.655); to withdraw accumulated contributions or to leave his or her contributions on deposit (Section 4.36.665), or to select a payment option (Sections 4.36.605, 4.36.608, ((through)) or 4.36.610).

C. Formula for ((Determination-)) determination

1. If the member is already receiving benefits or has arranged to receive payment at a proximate

date, the order must identify the alternate payee and the amount to be paid as:

a. ~~((A))~~ a precise sum to be paid in a single payment or in equal monthly installments and the duration of the installment payments; or

b. ~~((A))~~ a fixed percentage of the member's "disposable earnings" as defined in RCW 74.20A.090 or "disposable benefits" as defined in RCW 41.50.500(2), which are payable under the payment option that the member has selected.

2. If the member is not yet receiving benefits or has not arranged to receive payment at a proximate date, the order may also determine the amount payable to an alternate payee by a formula or ratio that becomes complete upon the Director supplying the member's creditable or gross contributions; for example, a ratio that measures the member's creditable service on the date of the order to the member's creditable service at the time of retirement, or the member's contributions at a stated date, or a stipulated amount to the member's total contributions at the time benefits commence, or a withdrawal of accumulated contributions occurs. The City will not increase payments by an interest factor or adjust dollar values by a price index in calculating the payment to an alternate payee.

D. Rounding of ~~((Numbers))~~ numbers. A percentage of disposable benefits or a ratio on a formula must be capable of being expressed as a decimal to no more than three places; fractions extending beyond the third decimal place will be rounded to the nearest number at the third decimal place and the amount of any warrant rounded to the nearest cent.

E. Filing of ~~((Orders for Future Use))~~ orders for future use. The Director may keep orders on file until such time as the member makes a withdrawal of accumulated contributions or draws benefits. If such an order is on file as to a member, the Director may delay payment of benefits or of accumulated contributions for up to 30 days beyond the date payments would otherwise be made in order to determine whether or not the order is current and in effect.

F. Alternate ~~((Payee's Responsibility))~~ payee's responsibility. An alternate payee has the responsibility

of supplying and maintaining with the Director a current mailing address for making payments; if payments are to commence upon occurrence of an event, informing the Director when the event occurs; and in the event of an erroneous overpayment, returning such overpayment to the City (~~((the warrant or check))~~) for issuance of another payment in the correct amount. (~~((Warrants or checks))~~) Forms of payment returned on account of an incorrect address may be held as unclaimed property.

Section 40. Section 4.36.635 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.635 Retired members who are employed on salary

Annuity payments funded by the member's accumulated contributions shall be paid to a retired (~~((members))~~) member who (~~((are))~~) is in City service, but (~~((all))~~) the pension portion of payments funded by City contributions shall be suspended while such retired members are employed on salary by the City, except as to the amount (~~((such))~~) that the pension payments funded by City contributions (~~((may))~~) exceed the member's salary for the same period; provided, that (~~((such))~~) the pension (~~((part))~~) portion of the retirement (~~((allowances))~~) benefit funded by City contributions shall not be suspended as to any member who is temporarily employed in City service for periods not to exceed 1,040 hours in any one year.

Section 41. Section 4.36.640 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.640 Maximum benefits payable

A. The maximum benefits payable to any member shall not exceed the limitation for defined benefit plans for qualified pension trusts established by 26 U.S.C. § 415 (~~((a copy of which is attached hereto as Appendix "A" and by this reference incorporated herein))~~).

B. The Board of Administration shall determine this limitation (~~((;))~~) and advise members on inquiry as to its amount (~~((, and include a general description of the limitations in its annual report to members))~~).

Section 42. Section 4.36.645 of the Seattle Municipal Code, last amended by Ordinance 124574, is

amended as follows:

4.36.645 Retirement for disability

A. Any member may be retired for permanent and total disability (~~((, either ordinary or accidental,))~~) occurring while in City service upon examination as hereinafter set forth, if such employee meets either of the following requirements:

1. The disability of such member arose out of and in the course of ~~((his))~~ the member's employment as an employee of the City; or

2. Such member had, at the time of occurrence of such disability, at least ten years of City service, over a period of not to exceed 15 years immediately preceding retirement, provided that City service lost while on previous disability retirement shall not be considered in determining if the applicant has City service in the limits specified.

B. Any member while in the City service, or within three months after the discontinuance of City service, or while physically or mentally incapacitated for the performance of duty, if such incapacity has been continuous from discontinuance of City service, shall be examined by a physician or surgeon, appointed by the Board of Administration, upon the application of the head of the office or department in which the member is employed, or upon application of the member, or a person acting in ~~((his))~~ the member's behalf, stating that the member is permanently and totally incapacitated, either physically or mentally, for the performance of duty in any position in City service and ought to be retired. If such medical examination shows, to the satisfaction of the Board, that the member is permanently and totally incapacitated either physically or mentally for the performance of duty in any position in City service and ought to be retired, the Board shall retire the member for disability forthwith.

C. The Board shall secure such medical services and advice as it may deem necessary to carry out the purpose of this ~~((section))~~ Section 4.36.645 and of Section 4.36.655, and shall pay for such medical services and advice such compensation as the Board shall deem reasonable.

~~((D. The provisions of this section shall not be applicable to employees pensioned for permanent and total disability, as defined in and pursuant to state law.))~~

Section 43. Section 4.36.650 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.650 Disability ~~((allowance))~~ benefits designated

A. Upon retirement for disability, as provided in Section 4.36.645, provided the disability is not due to ~~((intemperance,))~~ willful misconduct or violation of law, of which the Board shall be the judge, a member shall receive a retirement ~~((allowance))~~ benefit calculated as follows:

For a member, making application for disability retirement after December 31, 2012, with less than ~~((40~~ ten years of actual City service, but who otherwise qualifies for a disability retirement under the portability provisions of RCW 41.54.032, 1 1/2 percent of final compensation multiplied by years of creditable City service. For all other members with at least ~~((40))~~ ten years of actual City service, 1 1/2 percent of final compensation multiplied by years of creditable service, if such ~~((retirement allowance))~~ disability benefit exceeds 1/3 of ~~((his))~~ the member's final compensation; otherwise 1 1/2 percent of final compensation multiplied by years of service which would be creditable to ~~((him))~~ the member were ~~((his))~~ the member's services to continue until attainment of age 62, but such alternative disability ~~((retirement allowance))~~ benefit shall not exceed 1/3 of such final compensation; provided, that no disability ~~((retirement allowance))~~ benefit shall exceed 60 percent of final compensation. For purposes of this Section 4.36.650, "final compensation" is determined in accordance with the applicable definition in Section 4.36.050, but with the modification that if the member has not attained the number of consecutive biweekly pay periods stated therein, final compensation shall be determined instead based on the highest number of consecutive biweekly pay periods attained by the member. Notwithstanding any provision of this ~~((section))~~ Section 4.36.650 to the contrary, the minimum ~~((retirement allowance))~~ disability benefit shall be \$140 per month.

~~((The retirement allowance as above calculated shall consist of:~~

- ~~1. An annuity which shall be the actuarial equivalent of the member's accumulated normal contributions;~~
- ~~2. A pension which shall be the actuarial equivalent of the City's matching contributions;~~
- ~~3. An additional pension, provided by contributions of the City, should the calculation of the allowance show that subsections 4.36.650.A.1, 2 and 3 above are not enough to produce the retirement allowance indicated;~~

4.)) When use of proper annuity and pension rates results in a retirement ~~((allowance))~~ benefit amounting to more than would be realized by adherence to the formula indicated in ~~((the second paragraph of))~~ this ~~((section))~~ Section 4.36.650, the Board shall allow the higher amount.

B. If disability is due to ~~((intemperance,))~~ willful misconduct ~~((;))~~ or violation of law ~~((;))~~ on the part of the member, the Board in its discretion ~~((;))~~ may pay to the member, in one lump sum ~~((his))~~ the member's accumulated contributions in lieu of a ~~((retirement allowance))~~ disability benefit; and such payment shall constitute full satisfaction of all obligations of the City to such member; and upon receipt of such payment ~~((he~~)) the member shall cease to be a member of the system.

C. ~~((For distribution of benefits paid upon the death of a member while in receipt of a disability retirement allowance, see subsection 4.36.680.B.))~~ Distribution of benefits upon the death of a member who has been retired for disability

1. Upon the death of any member who has been retired for disability, such member's accumulated contributions less any payments therefrom already made to such member shall be paid to such member's surviving spouse or domestic partner; or if the deceased member does not have a surviving spouse or domestic partner, or if the surviving spouse prior to the death of such member consented in writing to the naming as hereafter provided of a different beneficiary or beneficiaries, then to such member's estate, or to such person or persons as such member shall have nominated by written designation duly executed and filed with the Board.

~~((D.))~~ 2. Any surviving spouse or domestic partner of a member receiving a disability ~~((retirement allowance))~~ benefit may ~~((;))~~ if named as a beneficiary and eligible based on the member's age at death and years of creditable service ~~((;))~~ elect to receive, ~~((and thereupon shall be paid))~~ in lieu of applicable benefits under subsection 4.36.650.C.1, a monthly benefit the equivalent of a survivor's "Option E" retirement ~~((allowance))~~ benefit computed on the basis of their age and the member's age at date of death, ~~((years of creditable service, and normal and matching contributions))~~ actuarially reduced by all sums theretofore paid the deceased member, ~~((as annuity on normal contributions and pension on matching contributions, and, if applicable,))~~ The amount paid shall be reduced by payments to an alternate payee under a court or department order as contemplated by Section 4.36.630. The spouse or domestic partner may, however, elect to receive in lieu of either the above benefits or the benefits under subsection 4.36.650.C.1 a reduced monthly benefit, to cease at such spouse's or domestic partner's death, and in addition a cash payment of not to exceed 1/2 of the deceased member's remaining ~~((normal))~~ accumulated contributions, ~~((, and such))~~ Such cash payment shall effect a reduction of the survivor's monthly benefit by the amount of annuity such payment would have purchased.

Section 44. Section 4.36.655 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.655 Examination of disability ~~((beneficiary))~~ retiree-Cancellation of ~~((allowance))~~ benefit

A. The Board may require any disability ~~((beneficiary))~~ retiree, under age 62 years, to undergo medical examination by a physician or surgeon, appointed by the Board at a place to be designated by the Board. Upon the basis of such examination the Board shall determine whether such disability ~~((beneficiary))~~ retiree is still totally and permanently incapacitated, either physically or mentally, for the performance of duty in any position in City service. If the Board shall determine that ~~((the beneficiary))~~ the retiree is no longer so incapacitated, ~~((he))~~ the retiree shall be returned to City service at the earliest opportunity in accordance with civil service rules and regulations and upon such return ~~((his retirement allowance))~~ the retiree's disability benefit shall be

cancelled.

B. Should a disability ~~((beneficiary))~~ retiree reenter City service, ~~((his retirement allowance))~~ the retiree's disability benefit shall be cancelled and ~~((he))~~ the retiree shall immediately become a member of the retirement system, ~~((his))~~ with the rate of contribution for future years ~~((being that))~~ established ~~((for his age))~~ at the time of ~~((such))~~ reentry. ~~((His))~~ The member's individual account shall be credited with ~~((his))~~ the member's accumulated normal contributions less the annuity payments made to ~~((him))~~ the member, except as provided in subsection 4.36.655.C. Such member shall receive credit for previous service ~~((in the same manner as if he had never been))~~ in the retirement system before the member was retired for disability.

C. Should any disability ~~((beneficiary))~~ retiree under age 62 refuse to submit to medical examination, ~~((his pension))~~ the retiree's disability benefit may be suspended, and should refusal continue for one year, ~~((his retirement allowance))~~ the retiree's disability benefit may be cancelled. Should any such disability ~~((beneficiary))~~ retiree engage in a gainful occupation, ~~((he))~~ the retiree shall immediately report ~~((his))~~ gross monthly income to the Board and upon receipt of such information the Board shall reduce the ~~((retirement allowance))~~ disability benefit to an amount ~~((, which))~~ that, when added to the compensation earned ~~((by him))~~ in such occupation, shall not exceed the amount of the salary or wages presently attached to the regular position held by the disability ~~((beneficiary))~~ retiree at the time of ~~((his))~~ retirement.

Should any such disability ~~((beneficiary))~~ retiree fail to report his gainful occupation, the Board shall, whenever information regarding such gainful occupation is received, cause ~~((his))~~ the retiree's ~~((retirement allowance))~~ disability benefit to be suspended either partially or in full, for the period of time necessary to make up for disability ~~((retirement allowance))~~ benefit payments drawn by ~~((him))~~ the person during the time suspension should have been in effect, and should such a ~~((beneficiary))~~ person die before suspended disability ~~((retirement allowance))~~ benefit payments have equaled payments illegally drawn, the Board shall recover such payments from any benefits which would otherwise be payable to ~~((his))~~ the person's estate or to a designated beneficiary. Suspension of a disability ~~((retirement allowance))~~ benefit under such circumstances may be made

even after such a disability beneficiary has attained age 62. Should such disability ~~((beneficiary))~~ retiree reenter City service, the Board may reduce the accumulated contributions which would otherwise be credited to ~~((his))~~ the person's account, as contemplated in subsection 4.36.655.B, to compensate for payments drawn during time suspension should have been in effect.

When any disability ~~((beneficiary))~~ retiree reaches age 62, ~~((his retirement allowance))~~ the person's benefit shall be established at the disability benefit amount which would normally be payable to ~~((him))~~ the person prior to any reductions for gainful employment and shall not be modified for any cause except as suspended, canceled, or otherwise provided in this ~~((chapter))~~ Chapter 4.36.

D. Should the ~~((retirement allowance))~~ disability benefit of any disability ~~((beneficiary))~~ retiree be cancelled for any cause other than reentrance into City service, ~~((he))~~ the retiree shall be paid ~~((his))~~ the retiree's accumulated contributions, less annuity payments made to ~~((him))~~ the retiree.

If, in the judgment of the Board, a disability ~~((beneficiary))~~ retiree has failed to properly report ~~((his))~~ earnings from gainful occupation, the Board may cancel ~~((his))~~ the retiree's disability ~~((retirement allowance))~~ benefit.

E. Should any disability ~~((beneficiary))~~ retiree, who was eligible to receive a ~~((service))~~ retirement ~~((allowance))~~ benefit at the time ~~((he))~~ the person was retired for disability, desire to convert ~~((his))~~ disability ~~((retirement allowance))~~ benefit into the ~~((service))~~ retirement ~~((allowance))~~ benefit for which the person ~~((he))~~ was eligible ~~((to))~~ at time of retirement on disability, the Board may grant ~~((his))~~ the petition ~~((so))~~ to do so.

Section 45. Section 4.36.660 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.660 Temporary total disability

A. Any member who has not attained the age of 65 and who also has at least ten years of City service over a period of not to exceed 15 years may, upon ~~((his))~~ the member's application therefor, be retired by the Board for temporary total disability occurring while in City service. Such temporary total disability shall

include only a physical or mental incapacity which the Board finds and determines temporarily and totally incapacitates such member for the performance of duty in any position in City service.

B. Temporary total disability retirement (~~((allowances))~~) benefits shall be computed and paid until such disability has ceased, in the same manner and amounts as for permanent and total disability, and shall commence immediately after termination of all payments to the member on account of sick leave, vacation, accumulated time, industrial insurance benefits, and disability payments (~~((under Charter Article XVI, Section 24))~~), or any other such benefits.

C. Upon determining that any such temporary total disability has ceased, the Board shall terminate the temporary total disability retirement, and the (~~((retirement allowance))~~) disability benefit therefor shall be cancelled; or if a member is otherwise eligible, the Board shall convert such temporary total disability (~~((retirement))~~) benefit to a permanent total disability (~~((retirement))~~) benefit or a (~~((service))~~) retirement benefit.

D. In determining eligibility for temporary total disability retirement and termination thereof, the Board may secure such medical assistance as it deems necessary. The Board shall have the authority to require a medical re-examination of a member retired for temporary total disability at least once every 24 months following the effective date of the temporary total disability retirement until such time as the member has attained regular service retirement age, and at any time if there is reason to believe the temporary total disability has ceased.

E. Upon termination of any temporary total disability retirement, a member who returns to active City service shall be reinstated as a nonretired member of the retirement system and (~~((his))~~) the member's accumulated contributions less annuity payments shall be credited to (~~((his))~~) the member's account and (~~((he))~~) the member shall contribute at the rate applicable to him at the time (~~((he))~~) the member was retired. Any member who does not return to City service after termination of temporary total disability retirement shall be entitled to (~~((his))~~) the member's accumulated contributions less any annuity payments made to (~~((him))~~) the member.

F. Periods during which a member is retired for temporary total disability shall not be recognized as creditable service on any subsequent retirement.

Section 46. Section 4.36.665 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.665 Discontinuance of eligible employee

A. Should the City service of a member not eligible for retirement under the provisions of this chapter ((;)) be discontinued, except by death, prior to completion of five ~~((years' membership))~~ years of creditable service in the retirement system, ~~((he))~~ the member shall be paid ~~((six months after the date of discontinuance such part of his))~~ the member's accumulated contributions ~~((as he shall demand))~~ upon request ~~((; provided, however, that such member may apply to the Board and by unanimous vote the Board may grant a request for immediate withdrawal of contributions))~~. If in the opinion of the Board such member is permanently separated from City service by reason of such discontinuance, ~~((he))~~ the member shall be paid forthwith all ~~((his))~~ the member's accumulated contributions, with interest. Should the City service of an employee not eligible for retirement under ~~((subsections A and B of))~~ Section 4.36.600 or 4.36.607 who has been a member of the retirement system for at least five years be discontinued, except by death, ~~((he))~~ the member may apply for immediate withdrawal of ~~((his))~~ the member's accumulated contributions as hereinabove provided, or elect ~~((in writing within six months after such termination))~~ to leave ~~((his))~~ the member's accumulated contributions in the retirement fund, and thereafter, upon reaching the required age and making application therefor, ~~((he))~~ the member shall receive a retirement ~~((allowance))~~ benefit as provided in Section 4.36.600 ~~((C))~~ or 4.36.607; provided, that if discontinuance of City service is caused by ~~((intemperance, wilful))~~ willful misconduct or violation of law on the part of the member, of which the Board shall be the judge, the Board, in its discretion, may pay to the member, in one lump sum, ~~((his))~~ the member's accumulated contributions, in lieu of all other rights, privileges, or benefits under this ~~((chapter))~~ Chapter 4.36; and such payment shall constitute full satisfaction of all obligations of the City to such member, and upon receipt of such payment ~~((he))~~ the member

shall cease to be a member of the system.

B. Any member eligible for retirement under ~~((subsections 4.36.600.A and B))~~ Section 4.36.600 or 4.36.607 whose City service has been discontinued, except by death, and any member whose City service has been discontinued and who has elected to leave ~~((his))~~ the member's accumulated contributions in the retirement fund, may, in the manner hereinabove provided, apply to the Board for withdrawal of contributions. ~~((, but in such case the Board may, in its discretion, approve such request or disapprove the same and, if such member then be eligible, authorize his retirement. Upon withdrawal of contributions the full amount deposited by the City in the retirement fund for such member's benefit, plus interest, shall be available to meet the obligations of the City under this chapter.))~~

Section 47. Section 4.36.670 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.670 Election to rollover to an eligible retirement plan

~~((1-))~~ A. This ~~((section))~~ Section 4.36.670 applies notwithstanding any contrary provision that would otherwise limit a distributee's ability to make a rollover election. A distributee may elect, at the time and in the manner prescribed under this ~~((chapter))~~ Chapter 4.36, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

~~((2-))~~ B. The following definitions apply to this Section 4.36.670:

~~((a-))~~ 1. "Direct rollover" means a payment under this ~~((chapter))~~ Chapter 4.36 to the eligible retirement plan specified by the distributee.

~~((b-))~~ 2. "Distributee" means an employee or former employee. It also includes the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in ~~((Section 414(p) of the Internal Revenue Code))~~ Code § 414(p), are distributees with regard to the interest of the spouse or former spouse.

~~((c-))~~ 3. "Eligible retirement plan" means an individual retirement account described in Code §

408(a), an individual retirement annuity described in Code § 408(b), an annuity plan described in Code § 403(a), a qualified trust described in Code § 401(a), an arrangement described in Code § 403(b), an eligible governmental deferred compensation plan described in Code § 457(b), or for distributions made after December 31, 2007, a Roth IRA described in Code § 408A(b).

~~((d.))~~ 4. “Eligible rollover distribution” means any distribution of all or any portion of the member’s benefits under this chapter, except: (a) any distribution which is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the member or the joint lives (or joint life expectancies) of the member and the member’s Designated Beneficiary, or for a specified period of ten years or more; (b) any distribution to the extent required under Code § 401(a)(9); (c) the portion of any distribution which is not includible in gross income; (d) any hardship distribution; (e) a corrective distribution; (f) a deemed distribution resulting from a defaulted member loan which is not also an offset distribution; (g) any other distributions described in Treas. Reg. § 1.402(c)-2; and (h) as to a direct rollover, any distributions during that calendar year that are reasonably expected to total less than \$200.

~~((e.))~~ 5. “Individual retirement plan” means an individual retirement account (“IRA”) described in Code § 408(a) or an individual retirement annuity described in Code § 408(b), and, as the context requires, includes a Roth IRA or a Roth individual retirement annuity.

~~((3.))~~ C. ~~((Non-Spouse Designated Beneficiary Direct Rollover))~~ Non-spouse designated beneficiary direct rollover. For distributions made after December 31, 2006, a non-spouse designated beneficiary (including a trust which qualifies as a designated beneficiary), may, by direct rollover, roll over an eligible rollover distribution to an eligible retirement plan; provided that for this purpose, an eligible retirement plan is an individual retirement plan that the non-spouse designated beneficiary establishes for purposes of receiving the distribution and which is treated as an inherited IRA under Code § 408(d)(3)(C). If a ~~((non-Spouse Designated Beneficiary))~~ non-spouse designated beneficiary receives a distribution from the ~~((Plan))~~ plan, the distribution is not eligible for a 60-day rollover.

~~((4.))~~ D. Certain ~~((Requirements Not Applicable Before))~~ requirements not applicable before 2010.

Although a ~~((non-Spouse Designated Beneficiary))~~ non-spouse designated beneficiary may roll over directly a distribution as provided in this ~~((section))~~ Section 4.36.670, any distribution made prior to January 1, 2010, is not subject to the ~~((Direct Rollover))~~ direct rollover requirements of Code § 401(a)(31) (including Code § 401(a)(31)(B)), the notice requirements of Code § 402(f), or the mandatory withholding requirements of Code § 3405(c)).

~~((5.))~~ E. Effective January 1, 2006, in the event of a mandatory lump sum distribution in an amount greater than \$1,000, if the participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the participant in a direct rollover or to receive the distribution directly, then such distribution shall be paid in a direct rollover to an individual retirement plan designated by the Board.

Section 48. Section 4.36.675 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.675 Discontinuance of membership of terminally ill member

A. Authority. The Board of Administration may in its discretion authorize an employee to discontinue ~~((his or her))~~ the employee's membership in the City Employee's Retirement System and it may refund all ~~((contribution))~~ contributions that the employee has made, together with interest thereon, if the employee makes written application therefor and all the conditions in subsection 4.36.675.B ~~((of this section))~~ are met.

B. Conditions and ~~((Application))~~ application. The member's application shall be accompanied by the following documents:

1. Competent medical evidence that the member is suffering from a terminal illness or condition, that is, a disease or infirmity which will most probably cause ~~((his or her))~~ death within two years, and the member's prospects of recovery or a longer life span are low;
2. The member's acknowledgment that, by discontinuing ~~((his or her))~~ membership in the system, ~~((he or she))~~ the member will become ineligible for all retirement benefits under the system; for death

benefits under Sections 4.36.690 ~~((--))~~ through 4.36.695; and for reentry into the system under Section 4.36.567 for one year, and then may reenter only with consent of the Board; that, if the member has a spouse or domestic partner, discontinuing membership will render ~~((his or her))~~ the member's spouse or domestic partner ineligible for spousal or domestic partner benefits upon a member's death or disability; and that refund of ~~((his or her))~~ the member's contributions may result in withholdings, taxes, and penalties under the Internal Revenue Code; and

3. If the member is married, a signed written consent of the member's spouse to ~~((his or her))~~ the member's discontinuance of membership and withdrawal of contributions, including an acknowledgment that discontinuing the employee's membership may forgo spousal benefits in event of the employee's death.

C. Examination. The Board may require an applicant to undergo a physical examination by a physician selected by the Board and/or require the applicant to permit verification of ~~((his or her))~~ the applicant's medical condition by allowing an examination of the applicant's medical records or an interview with ~~((his or her))~~ the applicant's doctor or caregiver.

D. ~~((Reentry/Redeposit))~~ Reentry/redeposit. After the lapse of one year, the Board of Administration may in its discretion allow a member who has discontinued membership and recovers from ~~((his or her))~~ terminal illness to reenter the City Employee's Retirement System. If the member's application is granted, the member upon commencement of making contributions to the retirement fund shall accrue service credit from the date of ~~((his or her))~~ reentry into the system, provided, that if the member's application for reentry occurs within three years after the date of the member's discontinuance of ~~((his or her))~~ membership, the Board may allow the member to make redeposit into the retirement fund of ~~((his or her))~~ the member's withdrawn contributions plus interest in the manner contemplated by Section 4.36.567, and, upon completing all such payments, thereby acquire creditable service for the earlier period.

E. Discretionary ~~((Determination))~~ determination. This ~~((section))~~ Section 4.36.675 confers enabling authority on the Board to be exercised in extraordinary circumstances and it imposes no duty upon the Board to

grant any particular application. The Board's decision upon an application shall be final.

Section 49. Section 4.36.680 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.680 Distribution of benefits upon death of a member

A. Distribution of benefits upon the death of a member who has been retired for service. See Section 4.36.610.

B. Distribution of benefits upon the death of a member ~~((who has not been retired or))~~ who has been retired for disability. ~~((The terms of this subsection apply upon the death of a member who has been retired for disability with the exception of the requirement that such member's surviving spouse waive in writing all rights to benefits under Subsection 4.36.680.C.~~

~~Upon the death of any member who has not been retired or who has been retired for disability, such member's accumulated contributions less any payments therefrom already made to such member shall be paid to such member's surviving spouse or domestic partner, or if the deceased member does not have a surviving spouse or domestic partner, or if the surviving spouse prior to the death of such member consented in writing to the naming as hereafter provided of a different beneficiary or beneficiaries and waived in writing all rights to benefits under subsection 4.36.680.C, then to such member's estate, or to such person or persons as such member shall have nominated by written designation duly executed and filed with the Board. Such payment may be made in one lump sum or may be paid in installments over a period of not to exceed five years, as may be designated by the member or his beneficiary, with such rate of interest as may be determined by the Board.))~~
See Section 4.36.650.

C. Distribution of benefits upon the death of a member who has not been retired.

1. Upon the death of any member who has not been retired, such member's accumulated contributions less any payments therefrom already made to such member shall be paid to such member's surviving spouse or domestic partner; or if the deceased member does not have a surviving spouse or domestic

partner, or if the surviving spouse prior to the death of such member consented in writing to the naming as hereafter provided of a different beneficiary or beneficiaries and waived in writing all rights to benefits under this subsection 4.36.680.C, then to such member's estate, or to such person or persons as the member shall have nominated by written designation duly executed and filed with the Board.

~~((1.))~~ 2. Any surviving spouse or domestic partner, of a member not retired but having at the date of death at least ten years of creditable service as defined in this ~~((chapter))~~ Chapter 4.36, who is entitled to receive such deceased member's accumulated contributions as provided in this subsection ~~((4.36.680.B))~~ 4.36.680.C, may elect to receive, ~~((and thereupon shall be paid))~~ in lieu of applicable benefits under subsection ~~((4.36.680.B))~~ 4.36.680.C.1, a benefit the equivalent of a survivor's "Option E" retirement ~~((allowance))~~ benefit based on the amount payable if the member would have been eligible for this benefit based on age and years of creditable service at death. The spouse or domestic partner may, however, elect to receive in lieu of either the above retirement ~~((allowance))~~ benefit or the benefits under subsection ~~((4.36.680.B))~~ 4.36.680.C.1, a ~~((lesser))~~ reduced monthly retirement ~~((allowance))~~ benefit to cease at such spouse's or domestic partner's death and in addition a cash payment not to exceed 1/2 of the deceased member's accumulated normal contributions. ~~((However, such withdrawal shall not serve to reduce such lesser retirement allowance except by the amount of annuity which such withdrawal would have purchased.))~~ Such cash payment shall reduce the survivor's monthly benefit by the actuarial equivalent value of such payment.

~~((2. If there is no surviving spouse or domestic partner at the time of death of a member not retired, but having at least ten years of creditable service as defined in this chapter, and such member has surviving one or more children under the age of 18 years, and if such child or children are named as beneficiary or if the contributions of the deceased member are payable to such member's estate under the provisions of subsection 4.36.270.B, then the legal guardian of such child or children may elect for such child or children a monthly benefit as hereinafter provided, which monthly benefit shall be paid in lieu of the benefits payable under subsection 4.36.680.B. Such monthly benefits shall be equal to the monthly benefit which would have~~

~~been paid to the last spouse of such deceased member if such last spouse had been living and married to the deceased member at the time of his death and was otherwise eligible for and elected to receive the benefits provided in subsection 4.36.680.C equivalent to a survivor's "Option B" retirement allowance without a cash payment of a portion of the deceased member's accumulated normal contributions. The guardian may, however, elect to receive in lieu of either the above benefits or the benefits under subsection 4.36.680.B, a lesser retirement allowance which will continue until such child or children reach the age of 18 years and in addition a cash payment not to exceed ½ of the deceased member's accumulated normal contributions. However, such withdrawal shall not serve to reduce such lesser allowance except by the amount of annuity which such withdrawal would have purchased. All benefits payable under this subsection shall be paid to the legal guardian of such child or children under the age of 18 years until all of such children have reached the age of 18 years, and shall be for the benefit of such minor children.))~~

((3.)) 2. The amount paid to a member's estate, beneficiary, or surviving spouse or domestic partner may be reduced by payments made to an alternate payee under a court or department order as contemplated by Section 4.36.630.

((4.)) 3. If the member's estate is not being probated, the Board, in its discretion, may as an alternative to making payment to ~~((his or her))~~ the estate ~~((;))~~ authorize payment to an heir who would inherit if the estate were probated, such as a surviving spouse named under a community property agreement or in the member's will.

Section 50. Section 4.36.690 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.690 Death benefits-Payment

A. Upon proof of the death of a member of the retirement system who has paid all death benefit assessments as hereinafter provided, the sum of \$2,000 as a death benefit shall be paid to such member's surviving spouse or domestic partner; or if such deceased member does not have a surviving spouse or

domestic partner, or if the surviving spouse prior to the death of such member consented in writing to the naming as hereinafter provided of a different beneficiary or beneficiaries, then to such member's estate or to such person or persons as such member shall have nominated by written designation duly executed and filed with the Board. If the member's estate is not being probated, the Board, in its discretion, may as an alternative to making payment to ~~((his or her))~~ the member's estate ~~((;))~~ authorize payment to an heir who would inherit if the estate were probated, such as a surviving spouse named under a community property agreement or in the member's will.

B. Any member of the retirement system may elect to continue ~~((in the))~~ eligibility for a death benefit ~~((system and pay))~~ by paying the death benefit assessments: provided, that such payment shall not be required of a member retiring for disability ~~((until age 60, whereupon such member shall be required to pay all death benefit assessments thereafter accruing if he or she desires to continue in the death benefit system))~~. Upon proof of the death of such member, the payment shall be \$2,000.

Section 52. Section 4.36.695 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.695 Death benefits-Specifications

A. All moneys paid into or out of the retirement fund on account of ~~((the))~~ death benefit ~~((system))~~ shall be accounted for by double entry separately in the records of the retirement system in such a manner as to reveal currently the amount of money held for payment of death benefits.

B. Death benefit assessments shall become due and payable January ~~((1st))~~ 1 of each year and collectible by payroll deduction or otherwise as directed by the Board. In order to insure coverage of members laid off or on leave of absence or on family or medical leave under Chapter 4.26, the Board is authorized to transfer amounts necessary to pay assessments due from such members from their normal contributions as temporary loans to be repaid by such members on return to City service. Death benefit assessments shall be in such amount as shall be determined by the Board but shall not exceed the sum of \$12 in any calendar year.

C. An employee becoming a member of the system during the year shall pay the death benefit assessment fixed for that year if such membership is effective prior to October ~~((1st))~~ 1, which assessment shall be collectible by payroll deduction when the first normal contribution is made. Employees becoming members in October, November, ~~((and))~~ or December shall pay only 1/2 of that annual assessment.

D. The City shall match all death benefit assessments collected from members and such matching payments shall become due and payable immediately following determination of the amount necessary, and should ~~((the))~~ death benefit ~~((system))~~ amount require payments by the City of more than the amount necessary to match an assessment of not to exceed \$12, as determined by the Board on advice of its actuary, the same may be made from undivided earnings of the City and the ~~((employee))~~ member in the retirement fund is not otherwise obligated. All payments by the City shall be due and payable annually on January ~~((1st))~~ 1. Assessments collected from retired members shall be matched by funds from departments from which such members retired.

E. Membership ~~((in the))~~ eligibility regarding death ~~((benefit system))~~ benefits shall terminate when any member resigns, quits, or is discharged and no refund of any portion of death benefit assessments shall be made by reason thereof. Should the Board determine that a member of the retirement system not in City service was maintaining membership for the sole purpose of possibly receiving retirement benefits in the future, the Board shall deny ~~((participation in the))~~ death ~~((benefit system))~~ benefits to such member.

F. The Board of Administration shall make all rules and regulations necessary to supplement the death benefit provisions of this ~~((chapter))~~ Chapter 4.36.

Section 52. Section 4.36.705 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.705 Trust fund

A. The retirement fund shall be a trust fund for the exclusive benefit of the members of the City Employees' Retirement System and their beneficiaries. No part of the corpus or income of the retirement fund

shall be used for, or diverted to, purposes other than for the exclusive benefit of the members of the system or their beneficiaries and the payment of fees and expenses of maintaining and administering the system.

B. This ~~((section))~~ Section 4.36.705 shall be interpreted to allow the following:

1. A return of a contribution to the City within one year after the payment of the contribution or, alternatively, its application as a credit on future contributions, after the Board determines that the City has paid or overpaid the contribution under a mistake of fact, excluding, however, any interest earnings on such mistaken contributions and deducting any losses;

2. The making of refunds required by law; and

3. Termination of the retirement system and distribution of its assets after all liabilities with respect to the members of the retirement system and their beneficiaries have been satisfied.

C. The Board in its discretion may authorize trust-to-trust transfers of assets from the retirement fund to another retirement trust fund to the extent the Board determines that contributions received by the retirement fund should be credited to another retirement trust fund.

Section 53. Section 4.36.710 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.710 Status of benefits in event of termination of system

If the City terminates or partially terminates the retirement system, members shall have a nonforfeitable right to benefits accrued prior to the date of such termination or partial terminations to the extent funded as of that date, or the amounts credited to the employees' accounts. As used in this ~~((section))~~ Section 4.36.710, "terminate" means to discontinue the system completely without a comparable replacement plan; "partially terminate" means to exclude a segment of employees from coverage without the provision of a comparable replacement; and "nonforfeitable" means that a member's or beneficiary's right to an immediate or deferred benefit that arises from the member's City service is unconditional and legally enforceable against the retirement system to the extent then accrued, except that rights to a benefit based upon the City's contribution

and completion of a minimum term of City service may be lost by death of the member before the term has expired.

Section 54. Section 4.36.715 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.715 Compliance with Internal Revenue Code

A. In ~~((General))~~ general. This ~~((chapter))~~ Chapter 4.36 shall be administered in a manner to comply with the applicable requirements of 26 U.S.C. ~~((Section))~~ § 401(a), and the Board is authorized to promulgate rules as it deems necessary to effectuate such compliance.

B. Compliance with Code § 401(a)(2) - Exclusive ~~((Benefit))~~ benefit. See Section 4.36.705.

C. Compliance with Code § 401(a)(9) - ~~((Required Minimum Distributions))~~ required minimum distributions

1. The requirements of this ~~((section))~~ Section 4.36.715 will take precedence over any inconsistent provisions of this ~~((chapter))~~ Chapter 4.36.

2. All benefits and distributions required under this ~~((section))~~ Section 4.36.715 will be determined and paid in accordance with a reasonable and good faith interpretation of the requirements of Code § 401(a)(9) and the regulations thereunder, as applicable to a governmental plan within the meaning of Code § 414(d).

3. Distributions to a member and ~~((his or her))~~ the member's beneficiaries under this ~~((section))~~ Section 4.36.715 shall only be made in accordance with the incidental death benefit requirements of IRC § 401(a)(9)(G) and the Treasury Regulations thereunder.

4. The Board will begin distributions of a member's retirement benefits under this ~~((chapter))~~ Chapter 4.36 no later than the member's "required beginning date." A member's "required beginning date" is the later of the April ~~((1st))~~ 1 following the close of the calendar year in which the member leaves City employment or ~~((;))~~ the April ~~((1st))~~ 1 following the close of the calendar year in which the member attains the

age of 70 1/2.

5. If the member dies before distributions begin, the member's retirement benefits must begin to be distributed, no later than as follows:

i. If the member's surviving spouse is the member's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the member died, or by December 31 of the calendar year in which the member would have attained age 70 1/2, if later.

ii. If the member's surviving spouse is not the member's sole designated beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the member died.

iii. If there is no designated beneficiary as of September 30 of the year following the year of the member's death, the member's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the member's death.

iv. If the member's surviving spouse is the member's sole designated beneficiary and the surviving spouse dies after the member but before distributions to the surviving spouse begin, this ((subparagraph)) subsection 4.36.715.C.5.iv (rather than ((subparagraph)) subsection 4.36.715.C.5.i ((above))) will apply as if the surviving spouse were the member. For purposes of this subsection 4.36.715.C.5, unless this ((subparagraph)) subsection 4.36.715.C.5.iv applies, distributions are considered to begin on the member's required beginning date. If this ((subparagraph)) subsection 4.36.715.C.5.iv applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under ((subparagraph)) subsection 4.36.715.C.5.i ((above)). If distributions under an annuity purchased from an insurance company irrevocably commence to the member before the member's required beginning date or to the member's surviving spouse before the date distributions are required to begin to the surviving spouse, the date distributions are considered to begin is the date distributions actually commence.

If the member's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code § 401(a)(9) and the Treasury Regulations thereunder.

D. Compliance with Code § 401(a)(17) - Compensation (~~((Limit))~~ limit). The compensation limit is addressed under the definition of "Compensation" in Section 4.36.040.

E. Compliance with Code § 401(a)(31) - Eligible (~~((Rollover Distributions))~~ rollover distributions). See Section 4.36.670.

F. Compliance with Code § 414(p) - Qualified Domestic Relations Orders (QDRO). The treatment of QDROs under this (~~((chapter))~~ Chapter 4.36) is described under Section 4.36.630.

G. Compliance with Code § 415. See subsection 4.36.640.A.

H. Compliance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act)

1. HEART Act Death Benefits. In the case of a death occurring on or after January 1, 2007, if a member dies while performing qualified military service (as defined in Code § 414(u)(5)), the member's beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under this (~~((chapter))~~ Chapter 4.36) as if the member had resumed employment and then terminated employment on account of death. Moreover, the member's qualified military service will count as service for vesting purposes, as though the member had resumed employment under USERRA immediately prior to the member's death.

2. Effective January 1, 2009, to the extent required by Code §§ 414(u)(12) and 3401(h), any member receiving a differential wage payment (as defined under Code § 3401(h)(2)) from an employer will be treated as employed by that employer, and the differential wage payment will be treated as compensation for purposes of applying the limits on annual additions under Code § 415(c). This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

Section 55. Section 4.36.720 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.720 Administration of chapter-Construction-Severability

A. The retirement plan created by this ~~((chapter))~~ Chapter 4.36 shall be administered so as to comply with the federal Internal Revenue Code, Title 26 U.S.C., where applicable, and specifically with plan qualification requirements imposed on governmental plans by Section 401(a) of the Internal Revenue Code.

B. Any section or provision of this ~~((chapter))~~ Chapter 4.36 which may be susceptible to more than one construction shall be interpreted in favor of the construction most likely to satisfy requirements imposed on governmental plans by Section 401(a) of the Internal Revenue Code.

C. If any section or provision of this ~~((chapter))~~ Chapter 4.36 is found to be in conflict with the plan qualification requirements for governmental plans in Section 401(a) of the Internal Revenue Code, the conflicting part of this ~~((chapter))~~ Chapter 4.36 is hereby inoperative solely to the extent of the conflict, and such finding shall not affect the operation of the remainder of this ~~((chapter))~~ Chapter 4.36.

Section 56. Section 4.36.900 of the Seattle Municipal Code, last amended by Ordinance 124574, is amended as follows:

4.36.900 Outdated provisions

The following provisions no longer apply to current or possible future members of the system, or involve benefits already conferred on existing members. These provisions remain in effect only to the extent necessary to determine already conferred benefits and for purposes of compliance with requirements of the Internal Revenue Code. None of these provisions is effective with respect to current or future members of the retirement system as of ~~((the effective date of this Ordinance, introduced as Council Bill 118199))~~ October 19, 2014. References to enacting and amending ordinances follow each provision.

A. Former subsection 4.36.103.E which reads as follows:

“Coverage and Exclusions. This section extends to workers in active City service on or after January 1,

1989. Workers in active City service in temporary, interim, intermittent, and part-time positions of less than twenty (20) hours per week, who have exceeded the hours in Section 4.36.103 A3 on the effective date of Ordinance 114592 shall have six (6) months thereafter to acquire service credit for prior service in such positions. This section and Section 4.36.195 provide the exclusive methods for temporary, interim, intermittent, provisional workers or workers in part-time positions of less than twenty (20) hours per week over a one (1) year period to become members of the retirement system.”

(Ord. 123361, § 96, 2010; Ord. 121595 § 1, 2004; Ord. 120794 § 63, 2002; Ord. 120114 § 10, 2000; Ord. 116368 § 9, 1992; Ord. 113309 § 1, 1987; Ord. 111493 §§ 1-3, 1983; Ord. 111136 § 1, 1983; Ord. 111135 § 1, 1983; Ord. 107312 § 1, 1978; Ord. 101794 § 1, 1973; Ord. 101738 § 1, 1973; Ord. 100877 § 1, 1972; Ord. 98861 § 1, 1970; Ord. 98163 § 1, 1969; Ord. 83534 § 2, 1954; Ord. 78444 § 9, 1949.)

B. That portion of former Section 4.36.100 and subsection 4.36.110.A which reads as follows:

“Officers and employees of the City (except those excluded by subsection H of this section) and of the Seattle Public Library shall become members of the retirement system upon completion of six (6) months’ continuous service, as follows, except that six (6) months’ continuous service shall not be required for officers and employees to whom subsection L of this section applies:

A. Mandatory Membership. Every officer or employee of the City and of the Seattle Public Library, who enters City service on or after June 21, 1986, shall become a member of the retirement system upon completion of six (6) months’ continuous service, except:

1. Elective officials exempt under subsection D of this section;
2. Individuals with a statutory right to continuation of their membership in a Washington State or federal government retirement system under subsection E of this section;
3. Certain officers in positions exempt from civil service under subsections C and F of this section;
4. Employees who are excluded under subsection H4 of this section; and

5. Temporary, interim, intermittent, provisional and part-time workers under Sections 4.36.103 and 4.36.195.”

(Ord. 121365 § 1, 2003; Ord. 120684 § 2, 2001; Ord. 119291 § 1, 1998; Ord. 117018 § 1, 1994; Ord. 114592 § 1, 1989; Ord. 112833 § 1, 1986; Ord. 107164 § 1, 1978; Ord. 106588 § 1, 1977; Ord. 104382 § 1, 1975; Ord. 100918 § 1, 1972; Ord. 98597 § 1, 1970; Ord. 81727 § 1, 1953; Ord. 81521 § 2, 1952; Ord. 78444 § 4, 1949.)

C. Subsection 4.36.100.C, which reads as follows:

“1986 Nonmembers. An officer or employee with six (6) months’ continuous City service, who on June 21, 1986, held an appointive position exempt from the classified civil service (1) could elect to join or rejoin the retirement system by completing and filing an election form with the Board of Administration on or before December 31, 1986, (“Option (1)”), or (2) after the effective date of this ordinance may elect to join or rejoin the retirement system as authorized by subsection E of Section 4.36.535 (“Option (2)”). Option (1) also extended to officers and employees, who held such position before June 21, 1986, and on or before December 31, 1986, with respect to such a position (a) were recalled from a layoff status; (b) returned from an approved leave; or (c) completed six (6) months’ continuous City service. An officer or employee within Option (1) could, on or before December 31, 1986, contract for credit for “prior service” (creditable service before December 31, 1986) in the retirement system in accord with subsection A of Section 4.36.567.”

(Ord. 121365 § 1, 2003; Ord. 120684 § 2, 2001; Ord. 119291 § 1, 1998; Ord. 117018 § 1, 1994; Ord. 114592 § 1, 1989; Ord. 112833 § 1, 1986; Ord. 107164 § 1, 1978; Ord. 106588 § 1, 1977; Ord. 104382 § 1, 1975; Ord. 100918 § 1, 1972; Ord. 98597 § 1, 1970; Ord. 81727 § 1, 1953; Ord. 81521 § 2, 1952; Ord. 78444 § 4, 1949.)

D. Subsection 4.36.120.D, which reads as follows:

“A member of the City Employees’ Retirement System who has entered into an irrevocable separation incentive agreement with the City pursuant to the terms of the ordinances introduced as Council Bills 114257,

114258, or 114313 may purchase up to four (4) years of service credit from the Retirement System. To acquire such service credit:

1. The member shall, within fourteen (14) days of payment of the net proceeds of the separation incentive payment, pay a lump sum into the retirement fund representing the employee's and the employer's contributions otherwise required to receive such service credit pursuant to Seattle Municipal Code Chapter 4.36; and

2. The member may include in this lump sum additional personal resources to the extent permitted by law in order to purchase the full four (4) years of service credit. Direct transfers and other rollovers of funds from other retirement plans under Municipal Code Section 4.36.585 must be made prior to the member's separation from City employment.”

(Ord. 123871, § 8, 2012; Ord. 120922 § 4, 2002; Ord. 120891 § 1, 2002; Ord. 117241 § 1, 1994; Ord. 113847 § 2, 1988; Ord. 104912 § 1, 1975; Ord. 104244 § 1, 1975; Ord. 104156 § 2, 1974; Ord. 101615 § 1, 1972; Ord. 79798 § 1, 1951; Ord. 78444 § 6, 1949.)

E. Subsection 4.36.150, which reads as follows:

“1975 Increase in existing retirement allowances.

“The monthly benefits of all members retired for service or disability prior to January 1, 1974, and the monthly benefits payable to any person as the result of the death of any member who was retired for service or disability prior to January 1, 1974, shall be increased as of January 1, 1975, by the percentage indicated in the following table opposite the year of retirement of the member upon whose service such benefits are based:

Year of retirement	Percentage increase of monthly benefit payable immediately prior to January 1, 1975
1973	1 percent
1972	2
1971	3
1970	5
1969	7
1968	9
1967	11

1966	13
1965	15
1964	17
1963	19
1962	21
1961	23
1960	25
1959	27
1958	29
1957	31
1956	33
1955	35
1954	37
1953	39
1952	41
1951	43
1950	45
1949	47
1948	49
1947	51
1946	53
1945	55
1944	57
1943	59
1942	61
1941	63
1940	65
1939	67
1938	69
1937	71
1936	73
1935	75
1934	77
1933	79
1932	81
1931	83
1930	85
1929	87

Provided, that the increases herein shall not be applicable to persons receiving benefits as the result of the death of a member who elected “Option B” as provided in Section 4.36.610. The increases provided herein shall be paid from available retirement system funds or from contributions of the City. Nothing in this subsection shall affect the amount of any bonus dividend declared pursuant to Section 4.36.155¹, nor shall any such bonus dividend be considered as a part of monthly benefits for the purpose of computing the percentage increases authorized in this subsection.

¹4.36.155 was repealed by Ord. 120656.”

(Ord. 120358 § 2, 2001.)

F. Subsection 4.36.191. B. C and D, which read as follows:

“One year window for purchase of creditable service for initial six months of City service for employees hired during 1988 through 1998 period

1. During a window period of one (1) year, beginning on the effective date of this section, employees who were hired during the period 1988 through 1998 who have not purchased creditable service for the initial six (6) months of City employment may purchase said creditable service by paying the purchase price, as determined by the Board, into the retirement fund, or signing a creditable service purchase contract pursuant to Subsection 4.36.567 C and filing it with the Retirement Board. The creditable service may be purchased based on the following price formula:

Current City Employees

$(\text{current hourly rate}) \times (\text{current member contribution rate}) \times (\text{amount of hours to be purchased}).$

Former City Employees

$(\text{final hourly rate as determined by the Board and adjusted for inflation}) \times (\text{contribution rate in effect for new members as of effective date of Section 4.36.570}) \times (\text{amount of hours to be purchased}).$

2. Purchases by former city employees made pursuant to Subsection 4.36.900 F.1 must be paid

in full by lump sum payment by the end of the window period established in said subsection or the date of retirement, whichever occurs first.

3. City Matching Contributions under Subsection 4.36.900 F.1. As matching contributions pursuant to Subsection 4.36.540 A, each year the employing department shall pay into the retirement fund the matching amount equivalent to any member lump sum payment made pursuant to this section or, if a member purchased pursuant to a contract under Subsection 4.36.567 C, the member's current year buy back payments all as billed by the Retirement office."

(Ord. 121365 § 6, 2003; Ord. 120684 § 6, 2001.)

G. Subsection 4.36.196, which reads as follows:

"Special option for purchase of creditable service by employees of the Seattle Firefighter's Pension Fund hired prior to January 1, 2007.

1. An officer or employee of the Seattle Firefighter's Pension Fund who was hired as an employee or officer thereof on or before the effective date of this Ordinance and who thereafter becomes and continues his or her service as an employee of the City may elect to join the City's retirement system and contract to purchase credit for prior service performed for the Seattle Firefighter's Pension Board by completing and filing an election form with the Board, and paying the purchase price, as determined by the Board, into the retirement fund on or before thirty days after the effective date of this ordinance. The creditable service may be purchased based on the following price formula:

$$(\text{hourly rate}) \times (\text{current member contribution rate } (8.03\% \times (\text{amount of hours to be purchased}) \times (\text{interest factor as calculated below}).$$

Creditable service shall be based on the employee's or officer's actual hours and salary in the period of time going back no more than 10 years from the effective date of this ordinance. The interest factor applied to the purchase price will be determined by approximating the net investment returns of the retirement fund that occurred during the period of time that relates to the buyback, with a minimum interest factor no less than the

actuarially assumed rate of investment return for the same periods. The purchase price shall be calculated using an annualized interest rate, compounded bi-weekly. Notwithstanding the above purchase price interest factor, the amount credited to the individual member accounts will be calculated by applying an interest rate 5.75% to approximate what the creditable amount would have been had the individual been a contributing member of the retirement system all along. Only the amount credited to the individual member accounts will be included in any benefit calculation or any future withdrawal.

2. An officer or employee subject to this section who fails to exercise his or her option under this subsection on or before thirty days after the effective date of this ordinance, may not thereafter purchase such credit provided, however, that nothing in this section shall affect such an officer or employee's right to elect to join the retirement system or to purchase creditable service earned subsequent to the effective date of this ordinance or at any time thereafter in the manner provided under Section 4.36.525 E of the Seattle Municipal Code.

3. The Seattle Firefighter's Pension Fund shall pay into the retirement fund the matching amount equivalent to any member lump sum payment made pursuant to this Section."

(Ord. 122591, § 4, 2007.)

H. Subsection 4.36.230.B, which reads as follows:

"The disability allowances of all members retired for disability prior to January 1, 1971, shall on January 1, 1971, be increased by Twenty Dollars (\$20) per month over the monthly benefit payable immediately prior to January 1, 1971, but no such pension of members retired for disability shall be less than One Hundred Forty Dollars (\$140) per month as of such date. Nothing in this subsection shall affect the amount of any bonus dividend declared pursuant to Section 4.36.900 E. Such increases shall be paid from available retirement system funds or from contributions of the City; provided, that such increases shall not be applicable to persons retired for disability on and after September 1, 1970 and on and before December 31, 1970 who pursuant to Ordinance 99271 select benefits applicable to persons who retire on and after January 1, 1971."

(Ord. 124082, § 1, 2012; Ord. 121366 § 5, 2003; Ord. 119707 § 6, 1999; Ord. 116802 § 2, 1993; Ord. 116069 § 2, 1992; Ord. 107228 § 2, 1978; Ord. 100792 § 4, 1972; Ord. 99566 §§ 8, 9, 1970; Ord. 95183 §§ 2, 3, 1966; Ord. 88897 § 3, 1960; Ord. 83534 § 4, 1954; Ord. 81521 § 1(part), 1952; Ord. 79403 § 4, 1950; Ord. 78444 § 16, 1949.)

I. A provision erroneously numbered as Section 4.36.192 in Ordinance 120684 which reads as follows:

“Purchase of creditable service by past employees.

A. This Section allows members who are City employees on December 1, 2001, to purchase creditable service after termination of City employment.

B. The creditable service purchase provisions established by Council Bill 113988, Ordinance 120684, shall be available to said employees until December 31, 2002 except for the purchase provisions of Section 4.36.191(B) which shall be available to said employees during the entire window period described therein.

C. Creditable service purchased pursuant to this Section must be paid in full by lump sum payment by the earlier of December 31, 2002, or by the date of retirement except purchases made pursuant to 4.36.191(B). Purchases made pursuant to 4.36.191(B) must be paid in full by lump sum payment by the end of the window period established in said subsection or the date of retirement, whichever occurs first.”

Section 57. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2016, and signed by

me in open session in authentication of its passage this _____ day of _____, 2016.

President _____ of the City Council

Approved by me this _____ day of _____, 2016.

Edward B. Murray, Mayor

Filed by me this _____ day of _____, 2016.

Monica Martinez Simmons, City Clerk

(Seal)